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DENKTAS CALLS FOR RECOGNITION OF TERRITORIAL INTEGRITY

Nicosia BOZKURT in Turkish 16 Nov 80 pp 1,4

[Text] Gecitkale (TURKISH AGENCY CYPRUS) — A ceremony was held yesterday in memory of the war dead from Gecitkale [Kofinou], Bogazici [Agios Theodoros] and Lefkara.

President Rauf Denktas and Prime Minister Mustafa Cagatay attended the ceremony, which was held in Gecitkale.

The ceremony began with the placing of wreaths at the Ataturk statue, followed by a moment of silent respect and the raising of the flag accompanied by the "Istiklal Marsi" [national anthem].

Poems were read following speeches on the meaning and importance of the day. The memorial ceremony closed with a prayer for the souls of the martyred. An exhibit was also opened.

Denktas' Speech

Speaking at the Gecitkale ceremony, Turkish Federated State of Cyprus President R. Denktas said that henceforth the Turkish Cypriot community would live in one place in its own region and that the future agreement would provide for this.

President Denktas pointed out in his speech that the Turkish Cypriot young people and children must be aware of the horrors of the past in order that they not be repeated and said, "However, it must not be a knowledge instilling hate and vengeance. The Turkish Cypriot community has not acted with hate and vengeance in Cyprus."

Pointing out that the Turkish Cypriot community had defended their rights as civilized men in Cyprus and had defied death, struggling for equality and to live in their homeland free and without fear, Denktas said that God had confounded the enemy and the Motherland had saved the Cypriot Turk.

President R. Denktas continued as follows:

"Now, if we were to look at Gecitkale and at the lessons we were to learn from Gecitkale, we would see that Gecitkale was besieged, because it was cut off from other Turkish villages. So we will live in one place in our own region from now on so as not to be isolated. The future agreement will command this, will ensure us this."

Greek Cypriot Propaganda

President Denktas remarked on the Greek Cypriot television propaganda to get Turkish refugees to go back to their former homes in the south and said:

"That is, with a handful of grass like a butcher enticing the flock into the slaughterhouse, they think this Turkish community, which they have done everything they could to crush and annihilate for 11 years, will see these pictures and go running back to them. I repeat to you all: An agreement was made on the exchange of populations to ensure liberation. On that day, the Turkish community made the decision to live in one place and has come to one place. We are resolved to live free and without fear in one place."

Cypriot Independence

Pointing out that the next agreement would ensure this, Denktas said:

"The Greek Cypriot will never again progress towards enosis as he tried to do by cutting off the Turkish road and pressuring the Turks by instilling fear in people isolated from one another, because the Turkish community in the north, as a single body, will block him and will continue to ensure the independence of Cyprus."

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CSO: 4907

WAR OF WORDS ERUPTS IN ASSEMBLY

Nicosia HALKIN SESI in Turkish 18 Nov 80 pp 1,2

[Article by Erten Kasimoglu]

[Text] Strong arguments broke out yesterday afternoon between Prime Minister Mustafa Cagatay and NUP [National Unity Party] Nicosia Deputy Raif Denktas in the Federated General Assembly which met at 1500.

CLP [Communal Liberation Party] General Chairman Alpay Durduran pointed out, as the Courts Revision Bill was being discussed and voted upon article by article, that the bill was unconstitutional and, if it were passed, would involve the Supreme Court in politics. He said that if this were to be done for the purpose of exposing CYPFRUVEX [Cypriot Vegetable and Fruit Processing and Exporting Corporation]'s abuses, the judges who would sit on the commission would be constantly criticized and stressed, from this standpoint, the need for the Assembly to be very careful in this regard.

"The one answerable for the abuses and improprieties at CYPFRUVEX is the government," Durduran said. He was followed on the floor by NUP Nicosia Deputy Raif Denktas, who burst out shouting, "If bills as inept as this come to the General Assembly, Alpay Durduran speaks equally plainly and truthfully as an opposition leader."

Saying, "This is enough," Raif Denktas continued: "There have been great abuses, improprieties and scandals at CYPFRUVEX. This is obvious. What else did we expect? Or did we think we could get away with saying 'We set up the Commission' and 'We left it up to the judges'? We cannot get away with it."

When Semai Kazim interrupted his loud, agitated tirade with a warning, Raif Denktas said, "The time has come to tell the truth. If we go ahead with this, it will not be just the heads of the NUP, but of the entire community that will roll. But we can no longer even delude ourselves, much less the community."

Saying, "I have never seen such an inept administration," Raif Denktas added that if it emerged that the formation of such a commission was unconstitutional in the resettlement, land distribution and equal property law, it still could not give any meaning to the desire to go in this direction. Raif Denktas then said:

"All of this corruption is the responsibility of the NUP. We cannot escape the responsibility. There is corruption at CYPFRUVEX. If we intend to expose the corruption at CYPFRUVEX, we cannot put the responsibility for it on the judges. We

are solely responsible. The government is directly responsible here. The government ought to get to the bottom of this mess and if other matters come out in the process, let them come."

Departure

Raif Denktas quickly left the General Assembly hall after his speech, got into his car and sped off towards Ataturk Square.

Prime Minister's Speech

Prime Minister Mustafa Cagatay, taking the podium to reply to Raif Denktas, began his remarks by saying, "I have had the opportunity to hear once more one of Mr Raif Denktas' unbearable and disgraceful speeches to the Assembly."

Stating that Raif Denktas was hard put even to do his own job, Cagatay said, "A national deputy ought to know what is going on within his own party so that such a speech from the podium would have meaning."

Accusing Raif Denktas of cheap politics, Prime Minister Cagatay continued as follows:

"For a national deputy to make a speech without knowing where he stands points up the difficulties a government has.

"It has now become imperative at this stage to find out the facts about CYPFRUVEX. As for the question of responsibility, it will certainly be answered...

"There may be a question of losses at an institution, but it is important to discover the reasons for these losses and to dwell on these reasons. But if Raif Denktas comes out and talks about it right from the beginning, that is cheap politics... It is impossible to think that he can make points by delivering such an inept speech without understanding his duty. I know this well because he is a national deputy from my party."

Cagatay also said in his statement that he had gone to London at the behest of the Audit Department about CYPFRUVEX.

Note: We will publish extensive reports tomorrow on the speeches made at yesterday's General Assembly meeting of the Federated Assembly.

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CSO: 4907

TURK-SEN AGAIN BLASTS GOVERNMENT ON PRICES

Nicosia BOZKURT in Turkish 18 Nov 80 pp 1,4

[Text] Nicosia -- TURK-SEN [Turkish Cypriot Federation of Labor Unions] published a bulletin yesterday, criticizing the government for its latest price increases.

Stating that together with these increases, bus fares which closely and directly affect workers had also gone up and that multiple reflections of the increase in oil prices would make themselves felt more every day, the TURK-SEN bulletin also said, "The new price increases which most affect the low and fixed income groups have increased the measure of consternation and discontent." The following views appeared, in summary, in the TURK-SEN bulletin:

"The government may have no choice in certain decisions. But governing is the art of creating possibility even where there is no choice and of not oppressing, or allowing to be oppressed, the citizens with the decisions it makes. However, our government does not so much bear the responsibility of governing as of making up for its own carelessness to those who work and the low and fixed income groups.

"TURK-SEN has reacted against and warned against the government's back-to-back price hike decisions and has even made constructive and positive proposals for reducing the effect of the increases on the working sector and avoiding social crisis and explosions. Unfortunately, it is not possible to say that the government has paid attention to the warnings and proposals, because now even the cost-of-living allotment is the rationale for a new increase.

"TURK-SEN is warning the government once again. The government's attitude is cause for an anarchic and social explosion. The government is bound to find and take radical, lasting measures to ensure stability. It must be known that a government which shelves all proposals and goes its own way will be doomed in the public estimation."

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CSO: 4907

DURDURAN ANNOUNCES CLP PLATFORM

Nicosia BOZKURT in Turkish 19 Nov 80 pp 1,4

[Report on statements made by CLP General Chairman Alpay Durduran at dinner for the press on 18 Nov 80]

[Text] Nicosia (TURKISH AGENCY CYPRUS) -- CLP [Communal Liberation Party] General Chairman Alpay Durduran has announced that if they come to power they will not harass any public employee because of his political leanings but that they will expect impartial service to the state from every public employee. He said that they would eliminate political positions and limit undersecretaries to 10. Durduran contended that the present administration had engaged in partisanship against CLP public employees and gave examples from certain incidents in the cooperatives.

Political Policy

Alpay Durduran said on behalf of the party that they did not expect positive results at this stage from the intercommunal talks on the Cyprus problem.

Alpay Durduran, general chairman of the major opposition party, stated that in order for the intercommunal talks to achieve concrete results, it was necessary for the Turkish community to gain influence at home and abroad and that their demands would be accepted by the other side only if the Turkish community were strong.

Stressing that he did not believe the Greek Cypriot community would be able to get the Turkish community to accept their demands with the proposals submitted, Durduran said, "To be hopeful about bilateral talks today depends on a lot of outside factors."

In answer to a question, Durduran pointed out that certain foreign factors were involved in the Cyprus problem today but he did not believe they were sufficient to resolve the problem and noted that a solution to the Cyprus problem by this means would be short-term and inadequate.

CLP General Chairman Alpay Durduran, General Secretary Ismail Bozkurt and CLP Nicosia National Deputy Ekrem Ural, hosting a dinner last night in honor of members of the press, also answered questions on a variety of other problems.

Economic Policy

Pointing out that if the major opposition CLP came to power in 1981, they would base their economic policy on four major pillars, Alpay Durduran listed them as follows: "Improving the Public Economic Enterprises, revising the cooperatives to make them more influential, establishing Public Companies and giving importance to the state sector."

Stating that if they came to power, they would establish a Central Bank, eliminate the Turkish lira procedures and print Turkish Federated State of Cyprus currency if necessary, Durduran noted in answer to a question that printing currency and being a state were two separate things, that it was not necessary to be an independent state to print money.

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CSO: 4907

PRIME MINISTER OUTLINES FARM POLICY AFTER EEC ACCESSION

Athens: ATHENS NEWS in English 11 Dec 80 p 2

[Text] All exploitable land belonging to the state will be distributed to landless farmers and stockbreeders, Prime Minister Rallis announced yesterday, during a speech at the opening of the 27th annual convention of the Federation of Greece's Farm Cooperatives.

In his speech, Mr Rallis stressed the importance the government accords farm cooperatives, and its resolve to encourage their activities and development. He said, however, that cooperatives must realize their activities must develop in conditions of competition with private enterprise, and urged them to develop their own organs, comparable to those used by private enterprise.

EEC Entry

Greece's imminent entry into the European Economic Community, the Prime Minister said, finds Greek agriculture in a phase of intense efforts and institutional, structural, and procedural rearrangements that, the government hopes, will enable farmers to profit from accession more than anyone else.

With accession, he continued, Greek farm products will move freely in one of the world's largest markets, while the farmers' income will be protected by Community intervention, mechanisms of price support, concentration of surplus produce and subsidies for exports to third countries. At the same time, large sums will be drawn from the Community budget for modernization of Greek agriculture, with increased productivity the main target.

The Common Agricultural Policy (CAP), combined with measures planned by the government, will guarantee sale of Greek farm products at satisfactory prices and will promote production of goods for which Greece is in an advantageous position, like off-season fruits, vegetables and cotton.

Major Benefits

One should not expect spectacular results during the first year in the EEC, Mr Rallis continued. Major benefits will become gradually evident during the second and third years. But, he added, Greek agriculture is rising to the European challenge and maximizing the benefits is the responsibility of both government and farmers.

The Prime Minister then underlined basic goals of the government's agricultural policy. These goals include: Completion as soon as possible of reorganization of transporting and marketing of farm products to abolish intermediaries and cut prices. To this end, the government plans to invest four billion drachmas to construct refrigerators, slaughterhouses and olive oil tanks.

--Facing structural problems of Greek agriculture to reduce production costs and raise farmers' real income. Distributing state-owned land to landless farmers will be the major element in this effort. Mr Kallias added there will be requirements that the land to be distributed be exploited collectively through cooperatives. To this purpose a bill dealing with incentives for collective exploitation and a ban on splitting farm land in to little parcels will soon be introduced in Parliament.

--Financing irrigation and land-improvement works to increase productivity.

--Implementing the program for problem areas the government has already drafted. Mr Kallias said the program defines areas considered as problems, adding they comprise all mountainous areas and most islands, totalling 70% of Greek territory. He said the program will require an investment of 4 billion drachmas for 1981 alone. EEC will participate by 25%. For the next five years, a total spending of 70 billion is anticipated, with the Community supplying roughly 40%.

Incentives

--Establishing incentives (low interest housing loans) for young farm couples to stay in rural Greece and apply themselves to agriculture.

--Giving farmers and cooperatives the opportunity to participate in the administration of the Agricultural Bank of Greece (ATG). To this end, Mr Kallias said, ATG will issue nominal, non-transferable stocks. In the beginning, the majority of those stocks will go to the government and the rest to farmers' organizations. Gradually, as the farmers gain the necessary experience, their participation in ATG's capital will increase.

All this, the Prime Minister concluded, shows the government is according agriculture particular importance, in view of the country's accession to the EEC. "As you will have realized, we have undertaken a gigantic effort for agricultural reorganization and development," he declared.

PASOK PARTY CHAIRMAN BLASTS GOVERNMENT OVER EEC RIFT

Athens ATHENS NEWS in English 11 Dec 80 p 4

[Text] "The Greek delegation's clash with EEC officials over prices and subsidies for key Greek agricultural products reveals both the incompetence with which the Government negotiated our country's entry into the EEC, and its thoughtless haste to achieve accession at any expense and without taking into consideration effects accession would have to our national economy," Panhellenic Socialist Movement (PASOK) president Andreas Papandreu said yesterday.

Mr Papandreu said the government, having finally realized the disastrous effects participation in the EEC under those terms would have for Greek agriculture, is now essentially trying to renegotiate accession terms. This, however, he said, is rejected by the EEC partners, who base their rejection on unacceptable terms the government has had to accept in order to achieve accession.

The main opposition leader remarked that Prime Minister Rallis "naturally glossed over the Brussels dispute during his speech yesterday to the Federation of Greek Agricultural Cooperatives (PASEGES)". He also charged Mr Rallis with attempting to appropriate, in his speech, parts of PASOK's agricultural program.

"But it is in vain. Implementation of a truly pro-farmer policy takes more than pre-election demagoguery. It takes both faith in such a policy and mechanisms controlled by the farmers themselves," Papandreu said.

The Greek farmer knows, from bitter experience, that "pre-election promises mean nothing when coming from a government bent on serving interests of a domestic and foreign economic oligarchy."

"For this reason, our country's farmers are resolved to fight for revitalizing the Greek countryside, and materializing the great change within the framework of the agricultural policy of PASOK a party serving and expressing the long term interests not of the oligarchy but of working people in the field and the factory," Papandreu concluded.

CSO: 4920

FIVE CAR FIRMS TO BUILD PLANTS

Athens ATHENS NEWS in English 4 Dec 80 p 4

[Text] Five cars manufacturers from the United States, West Europe and Japan have signed contracts worth a total 40 million dollars to set up assembly plants in Greece, Alternate Minister of Coordination Ioannis Paleokrassas said Thursday.

He told a press conference the biggest project was that of Alfa Romeo of Italy, which is to set up a plant in the industrial area of Patras, western Peloponnese, at a cost of 25 million dollars. (as published)

The plant will be ready in 1983 and will assemble 10,000 passenger cars and 4,000 trucks a year, he said.

General Motors will invest 915,000 dollars in a plant near Lamia, central Greece, to assemble a four door car.

About 4,500 vehicles will be built there when the factory opens in 1982 and output will increase to 6,000 in the plant's second year, he said.

Three Japanese companies, Daihatsu, Mazda and Carion, are also to set up plant, assembling about 2,000 passenger cars, light trucks, tractors, jeeps and vans a year at factories to be sited in Ioannina, western Greece, Volos, central Greece, and outside Athens, he said.

Mr Paleokrassas said that in all cases the vehicle engines would be imported and most of the cars were for the Greek market although some would be exported to the Middle East.

He said the government was negotiating three other contracts with car manufacturers for assembly plants but gave no further details.

C90: 4920

FOREIGN BANKS CONTRIBUTE TO ECONOMIC DEVELOPMENT

Athens BUSINESS & FINANCE in English 29 Nov 80 pp 10, 11, 32

[Text of speech by A. Mandika, general manager of the French Bank BIAO, at the Second Congress of Economic Development on 20 Nov 80]

[Text] UNFORTUNATELY, the presence of foreign banks in Greece has become something of a political issue, as the subject has been discussed in Parliament. In my statement today, I shall limit myself to the economic sector. The subject will be divided into two parts - the contribution of the banks up to the present day, and what their contribution will be tomorrow, with Greece's entry to the Common Market.

Looking back to the post World War II period, we find that American Express was the first bank to be established in Greece. This bank began operations here as a travel office, (as in other countries) and later offered banking services.

The first foreign bank to establish in Greece opened in 1963/64 (i.e. 7 years ago), the National City Bank (now Citibank). One of the conditions which the Currency Committee set up for its establishment in Greece was, among others, the financing of projects in Greece to the amount of US\$5 million for a period of 5 years or over for each project. This bank was already known in Greece for its contribution to the economy in the form of various large loans (PPC, Bank of Greece, government, etc.).

For a period of 3-4 years this was the only foreign bank operating in Greece.

In the period from 1967 to 1973 we note that a number of foreign banks, mainly American banks, received approval for the establishment of branches in Greece. These were the Chase Manhattan Bank, the Bank of America, followed by Continental Illinois, First National Bank of Chicago, Algemene Bank Nederland, Bank of Nova Scotia, BIAO, Bank Saderat Iran.

Later, British banks also decided to open in Greece and we have Grindlays, National Westminster, Barclays, Williams & Glyn's and finally an Arab bank the Arab Bank and two French banks, Paribas and the Societe Generale.

Thus today we have:

- Six American banks: American Express, Citibank, Chase Manhattan, Bank of America, Continental, First National Bank of Chicago.
 - Four British banks: Grindlays, Barclays, National Westminster, Williams & Glyn's.
 - Three French banks: BIAO (now CCF), PARIBAS, Societe Generale.
 - One Dutch bank: Algemene Bank Nederland.
 - One Canadian bank: Bank of Nova Scotia.
 - One Arab bank: Arab Bank.
 - One Iranian bank: Saderat Iran.
- making seventeen foreign banks in total.

This number is fairly high when we compare it to the ten to eleven Greek commercial banks.

Comparison, however, stops here, because if we go back to the volume of business of the foreign banks (deposits, grants) this is no more than one-eighth or twelve percent of the total of the Greek commercial banks. That is, in a total of 500 billion drachma deposits about 90 billion drs. (total banking system drs. 800 billion).

I am mentioning this because foreign banks have often been accused of taking a large part of bank business from the Greek banks. Figures, however, indicate the opposite.

Foreign banks have also been accused of not accepting small amounts of deposits and of not approving small grants. However, this is not a just accusation. The reason why they obtained approval to establish in Greece is to help the Greek economy, and not to collect deposits from the suburbs and municipalities of Athens. This would interfere with the operations of Greek banks.

In fact, the Currency Committee restricted the establishment of foreign banks in Athens, Piraeus and Thessaloniki. This is the answer to the accusations against foreign banks. It is time, however, to study the contribution of foreign banks to the economic life and development of the country.

At first let us consider one basic prerequisite for their establishment. That is, the requirement to invest long term loans, in agricultural projects, in government organisations, in private enterprises, etc.

The amount of this obligatory investment originally amounted to US\$5 million and later increased to US\$10 million at each branch. As we have 17 banks with 40 sub-branches, that means that compulsory investments during the period of their operations in Greece have amounted to \$300-400 million.

The monthly statements of foreign banks in Greece show that the above amount is not even one quarter of the foreign exchange which these banks have imported at various times into Greece in order to help the Greek economy.

Today this amounts to over \$1,500 million excluding over \$800 million imported to finance shipping.

Besides the above sums we must also account for the millions of dollars of the direct participation of central and foreign banks in consortiums of loans, to the Bank of Greece and PPC, Greek National Railways (OSE), Olympic Airways (OA), etc., a participation which is attributed mainly to the existence in Greece of banks which closely follow the economy as well as the needs of the country.

Of course, such import of capital carries with it profits which are partly repatriated. But what is the basic purpose of a bank? Is it not to accept deposits and to lend with the relative difference or profit? Of course, some of the foreign banks establish in the country for reasons of prestige only. With Greece's accession to the EC, the role of foreign banks becomes more serious and their assistance to the economy more intensive.

Greece's first obligation in the economic sector is the establishment of a free foreign exchange market. The relevant law was passed on November 7. Following the Currency Committee decision, 12th November was set as the starting date for the operation of the free market.

For the foreign banks, this is not new, as for the last 30 years the system has been applied in Europe and the USA.

The Greek banks however, have, since 1954, been accustomed to buying and selling foreign exchange at prices previously set by the Bank of Greece. (This covered the over sales and the over-buying of the banks). These prices were announced, and took the

responsibility for the relative foreign exchange risk (while commercial banks had profits).

This, therefore, is something new that most of the young employees have not experienced. Thus they have a lot to learn from foreign banks and those who have transactions with them. They can benefit, and so also can the Greek economy.

One other subject which has been disputed, is the establishment in Greece of multi-national companies and their contribution, or lack of it, to the Greek economy.

It is uncertain if the foreign banks established before the establishment of the large foreign companies, or if they came in to help the already established foreign companies. If foreign companies came in because they knew the foreign banks were here to help them, is not absolutely determined.

I am not listing the foreign industries which were established in Greece on the basis of financing (mainly in foreign exchange) by foreign banks but there are over 50 and the financed foreign and Greek companies are estimated at 500.

On the other hand, with our accession to the EC, other foreign European banks will be established in Greece, thus competition among foreign banks will become more intensive to the benefit of those dealing with them (the only prerequisite being that the bank is well known (bona fide) and its directors of good morals, and experienced in banking). Another fact, not widely known to the public, is that foreign banks have contributed largely to the targets for which the beneficial laws 2687/53, 4171/1961 as well as Currency Committee decisions 85 and 93 of 1945 were issued. Finally, when

we speak of the great number of foreign banks operating in Greece (totalling 17) we must not forget that 84 foreign banks were in Beirut before the Civil War.

If, therefore, we want Athens to replace Beirut as a centre for the Eurodollars of the Middle East this can take place only with the existence here of foreign banks which deal in those Eurodollars.

To conclude I would like to say a few words concerning the representatives of foreign banks and banks which establish in Athens for operations outside the Greek state (offshore banks of Law 88). The influence of the former on the Greek economy is considerable.

The most important and the oldest are the Banca Commerciale Italiana (there are no Italian banks in Greece), the Bayerische Vereinsbank (German), there is no German bank, the Hambros Bank (English), the Manufacturers Hannover Trust (American), the Bankers Trust (American), the Rothschild and the CCF (French). With Law 88 we have the Citybank (American) and the Banque des Echanges Internationaux (French), and the Trade Development Bank.

With Greece's accession to the EC and the internationalisation of the drachma the number of these banks with interests in the Middle East will increase, as Greece offers the most suitable base (telecommunications, transportation facilities, foreign language speaking personnel, etc.).

To all the above mentioned we could add that there will be over 3,000 employees, and the admittance of new banking methods which Greece will need, with its accession to the EC.

MANUFACTURERS VOICE CONCERN OVER UNIVERSITY DEGREES

Athens HELLENES EXPRESS in English 4 Dec 80 p 5

[Text] The Northern Greece Manufacturers Association has issued a sinister warning on the effects upon the Greek economy of the present state of higher education in the country. It says: "For the last ten years, the rot has set in among the country's higher educational institutions. There is commonly acknowledged unwillingness on the part of students to attend their studies and to take advantage of whatever opportunities the country's educational system can afford them to improve their knowledge. It is equally well known that their sole objective is to lay hands on some kind or other of a degree on the strength of which to seek an appointment to some post in the private or the public sector. In the eyes of the students, award of such degrees should be made with the minimum effort on their part and, where possible, without their attendance at lectures (now common practice), without study and, naturally, without examinations. In fact it would seem that all that now remains is for degrees to be awarded by mail. Such a situation would not differ all that much from what is happening at present where interested parties only appear for procedural matters before their university authorities, without any regard for the substance or real meaning of their degrees. This "modus operandi" is aided and abetted to a large extent by the State itself which engages and settles into comfortable niches in the public service many of these graduates without due regard to the essence of their studies. This is in sharp contrast to the private sector which engages staff only after careful scrutiny of what each candidate really knows. This, of course, accounts for much of the sharp difference in public and private sector productivity. In view of a situation in which a higher educational system "produces" holders of degrees lacking in any real knowledge, industry will reluctantly be obliged to resort to the sad alternative of recruiting its qualified staff requirements only from graduates of foreign universities, carefully avoiding to engage semi-qualified and low-yield personnel."

CSO: 4920

LAMA INTERVIEWED ON LABOR UNION RENOVATION

Milan PANORAMA in Italian 24 Nov 80 pp 220-228

[Interview with CGIL Secretary Luciano Lama by Massimo Riva--date and place not given: "If Craxi and Berlinguer Would Stop Fighting"]

[Text] Luciano Lama did not climb the mountain. But after the 35 dramatic days of the Fiat affair he prepared a decalog to begin the revitalization and renewal of the Italian trade unions. Here, in brief, are the 10 points:

First, Lama does not intend to abandon either his position or the battle.

Second, anyone who unloads all blame on the trade unions for what does not function is myopic and suicidal: There is a worldwide crisis of industrial systems which is much more insidious in Italy because it is not seen in traumatic events, but through progressive downhill slippage.

Third, the trade union was not defeated at the Fiat because it blocked dismissals and because it prevented Agnelli from letting it be believed that the firm had only employment problems.

Fourth, the trade union will force Fiat executives to throw light upon and discuss all the errors that led to the plant's crisis.

Fifth, the trade union is ready to negotiate with Confindustria on the problem of worker mobility, but only if the employers solemnly commit themselves to guarantee it going in as well as coming out.

Sixth, the 40,000 persons in the Turin parade are the offspring of a sliding wage scale and collective contracts that leveled out the wage tables: Professionalism and responsibility should be rewarded.

Seventh, in order to achieve these objectives too, there should be a resumption and revitalization of the EUR [trade union] line which directed the trade union movement onto the path of government enlightenment concerning the national crisis.

Eighth, in order to usefully resubmit this line, it is indispensable that the clash between Craxi and Berlinguer cease, because the political division to the left has favored the aim of leapfrogging and has provoked the paralysis of the trade union.

Ninth, better relations must be found between the summit and the rank and file of the movement, but the Italian trade union will not go backward to follow the path of Poland, transforming itself into an institution which is the servant of power.

Tenth, the key structures will remain the plant councils and the assemblies which so far have guaranteed an internal democracy superior to that of any other political and social organization.

Here is how CGIL [Italian General Confederation of Labor] Secretary Luciano Lama explains the new strategy.

Question: Usually, defeated generals give up command of the troops; after the Fiat affair there is talk of changes at the summit of the trade union. Does such a problem exist for Luciano Lama in the administration of CGIL?

Answer: I don't think that problem exists and certainly, I have no intention of proposing it. First of all, there is a question of method: In a democratic and articulated trade union movement, such as the Italian, there is little room to personalize successes or failures. What counts is a common effort to analyze errors and shortcomings: And it is what we are all doing at the summit and among the rank and file. Then there is a personal question: I have been a trade union leader from the time I began my political life, and I do not plan to give up the struggle except for reasons that surely will emerge, such as age. In the present state of affairs I will not give up.

Question: Do you also persist in considering the agreement reached at the Fiat a trade union success?

Answer: Concerning Fiat, we must consider the matter very carefully without being carried away by slogans. Under the circumstances in which the battle was fought and agreement reached, that accord must be judged positively: We prevented thousands of workers from being expelled from the plant.

Question: Very well, but the problem exists of the conditions under which the trade union acted at Turin. The Fiat attack put you on the defensive and you never recovered from it, giving the impression that the trade union lacked initiative on a central matter such as the crisis of the largest Italian industry. After years of struggle based only on requests, you were paralyzed when the adversary switched roles. Was this inevitable?

Answer: It was not inevitable. Because in the strategic interest of the trade union it was necessary that we promote a line of reconversion and reconstruction, of recovery of efficiency and productivity in the plant. These elements, after all, already were in the platform of claims that the FLM [Federation of Metal Workers] had presented before the summer months to obtain substantial guarantees of employment. But all this was lost when the plant posed the problem of its crisis exclusively on the terrain of dismissals.

Question: What is not understood is precisely why these aims were lost along the way. After all, it was the PCI which was the first to open the Fiat question and in very dramatic terms. But then all this awareness of the problem disappeared and the trade union remained to fight against dismissals without proposing any alternative. Why did this happen?

Answer: Part of the blame belongs to Fiat, because it glossed over other factors of its own crisis in order to force everyone to talk in terms of dismissals. But a large measure of blame also falls on the trade unions because the proposals contained in the FIOM platform were not, evidently, the fruit of a deep understanding of the crisis. Fiat engaged in provocation, but the workers did not believe in the difficulties of the company. After all, I believe there is still widespread skepticism about the real dimensions of the great crisis that assails the entire industrialized world. For this reason, the trade union movement, particularly in Turin, let itself be bottled up in a battle that was exclusively defensive.

Question: Let us try to go into the Fiat crisis. Many people say that the Turin plant has problems that go well beyond those of excess personnel. There are financial, and above all production difficulties: The Fiat models do not sell because they were superseded by the competition. If that is true, your agreement does not amount to much. The most dramatic chapter must still be told. What do you plan to do after this first lesson?

Answer: I also am convinced that Fiat's prime problem is to produce automobiles that can meet the competition in the marketplace in terms of price, but above all in quality. In this sense, our agreement is simply a dam. But it is a dam that cannot stand against any amount of water. To rescue Fiat employment the plant must know how to develop a new financial, productive, technological and sales strategy. We all must know one thing: There cannot be a before and after situation among the problems of reconstruction and protection of employment. Otherwise we are condemned to be bottled up in a discussion on dismissals.

Question: One thing is certain: Thousands of billions of lire are needed to put Fiat back on the track. Its competitors, in fact, are committing fabulous amounts of money to investment to move forward. Since there is talk of extensive government aid, there are those who put forth the hypothesis that the Fiat may go into receivership. What do you think?

Answer: I think that neither the trade union nor the country is interested in such a hypothesis. I do not even consider it desirable that the Fiat go into receivership...

Question: Would you perhaps prefer agreements, perhaps even involving stock transactions, with foreign producers?

Answer: This can be one of the many roads. I believe that the necessary capital can be sought in various places. As a trade union movement we do not like the idea of a resort to massive state aid which would take the company very close to the hypothesis of receivership. But there is a prior condition to the question of money. Even a large mass of money would be useless if inertia and lack of initiative of Fiat administrators in regard to the matters of productive renewal were to persist. Without such productive renewal, thousands of billions of lire would not be enough.

Question: Does this mean that you do not trust the Agnelli administration?

Answer: I have many doubts on this point. Fiat had periods of great splendor even compared with the most effective competitors. But I have not seen that technical-productive primacy in recent years and there is the impression of falling back on

a very flat plant administration. In brief, one that is resting on its laurels. But this cannot last long and we will pose these questions before employment is affected.

Question: I am not discussing Fiat's errors, but even the trade union did its part, by imposing burdens and restrictions. To cite current events, almost all the world's large automobile plants are trying to overcome the difficult market conditions even by taking a path--that of dismissals--that the trade union agreement with Fiat instead has precluded. Isn't there some contradiction in your house?

Answer: But we have not excluded personnel reduction; rather we have explicitly taken it into consideration through the path of mobility from job to job: A thing that is very possible if the Turin labor market is considered. The implementation of this mobility depends on Fiat, on the general policy of Italian industrialists and on the initiative of public authorities. It is merely a question of determining whether the bosses who, like Confindustria, ask for mobility at termination are also then disposed to guarantee it also initially in terms of individual enterprises. Otherwise everything would turn out to be an intolerable joke.

Question: Did the 40,000 participants in the famous Turin parade frighten you?

Answer: I was not frightened. They made us think about the risks of a split among the workers. Those 40,000 were not invented either by Mephistopheles or by lawyer Agnelli. Rather, they are the products of the leveling out of wages and regulations caused partially by the sliding wage scale and partially by the most recent collective labor contracts...

Question: Therefore the time has come to turn the page and find a new line for trade union action. What do you plan to do in this regard?

Answer: Certainly it is not a case of inventing anything new. With the EUR line, the trade union had already chosen the paths to restore the values of professionalism, of proficiency, of productive careers. We had already said that the subject of investments, above all in the south, was to have priority over wages...

Question: But then things went along as before. And many in the trade union bragged about having defeated both the EUR line and its leader, Luciana Lama. Is that not so?

Answer: Yes, I am supposed to be the EUR defeat. But now everyone recognizes that that strategy has no alternatives. Either the trade union takes the road that rewards future well-being against the waste of the present, or everything will deteriorate and the nation will collapse. The road indicated by EUR is the one we must resume and for which I intend to remain here and fight.

Question: Let us try a specific case: The sliding wage scale. You say that wages were excessively leveled by the unified point: Am I to understand that you are now disposed to discuss the question of the sliding wage scale?

Answer: This indexing system has to be changed, there is no doubt about that. But be careful: The trade union recognizes the weaknesses of the sliding wage scale, however, it is willing to reshape it only on condition that the new accord will be

included in a strategy of revitalization and recovery in which Confindustria as well as the government would play their part. Instead, the industrialists ask only for freedom of maneuver and the ministers make vague and general plans. No, on these premises, little progress will be made. Those who move the levers of investment should tell us specifically what they want to do and we will make our contribution. We give no one a blank check.

Question: I understand; it is questionable when the sliding wage scale will be discussed. But hasn't the famous EUR line also remained unimplemented because of your lack of determination and courage?

Answer: No, that first trade union battle over administration of the crisis presupposed a broad solidarity among government political forces. Instead, the EUR line matured when the policy of national unity in the country was declining. This led to an exasperated climate of competition, at times for ulterior motives, among the parties. The leapfrogging games, the gymkhanas to displace the adversary began. Anyone who advanced thoughtful and reasonable proposals was easily outstripped by those who used irrationality and demagoguery.

Question: But if that is how you think, how can you come forth again with the EUR line now, when the conflict between the two major leftist parties has reached heights of harshness unheard of in the past? If Craxi and Berlinguer continue to quarrel, how can a new EUR line be passed by the trade unions?

Answer: Certainly the conflicts between communists and socialists can be fatal for the country, and it surely is for the trade union movement both in terms of unity and capacity for action. Despite the natural differences between the two parties this clash has no reason for being...

Question: But according to Lama, what should Berlinguer and Craxi do?

Answer: I don't teach anyone his job. I merely say that the left must work unitedly for the good of all. In the meantime, I would begin by putting aside personal campaigns. Let no one nourish the hope of ousting Berlinguer and let no one else do the same against Craxi. In short, it is time to end the mental reservations. The EUR line was not and could not be a strategy subordinated to political needs: That's what some tried to make it appear concerning the question of the participation of communists in government. Those who thought these things do not know the trade union movement. The Italian workers are willing--this is the meaning of the EUR line--to make sacrifices in connection with a general and profound change of the national society and economy. It is clear that those sacrifices in that change are operable only on condition that an extraordinary political harmony be reached on objectives. In this sense, and only in this sense, there is a tie between the trade union strategy and the communist question.

Question: Just a minute. But the EUR line did not achieve a consensus even of all the communists, not to speak of large fringes of the trade union world. Is it not perhaps true that you were criticized both in the PCI as well as in the CGIL?

Answer: I will ignore questions concerning my person. Regarding the communists, a truth known to all should be recalled. In the 30 years of the policy of national unity the PCI leaders were attacked on all sides as the moderates, as the firemen,

who were ready to sacrifice only to support the entrance of their own party into government. This left profound resentments and today makes it more difficult to rekindle the movement for a future of change. Among us, there are those who are thinking about revenge: You attacked us, very well, now that you need our support we will make you pay for it dearly.

Question: But can politics be played with resentments?

Answer: Certainly not. It can't be done either with sentiments or resentments. For this reason I say that the parties of the left, the PSI [Italian Socialist Party] and the PCI particularly, must rediscover their own unity of action. Are there many resistances? That does not matter: The initiative of the trade union movement must push beyond these obstacles.

Question: I agree, but aside from an appeal for harmony between Berlinguer and Craxi, what does the trade union plan to do to overcome these splits?

Answer: I am not in the habit of making general appeals. I believe that the power of events will impose a change. Regarding the trade union we will place concrete proposals before the parties of the left and the entire nation: On these we have begun rank-and-file consultation, which never happened before, which will conclude in January. Then we will begin with action initiatives and there we will have a measure of who really wants national renewal and who does not. But I am an optimist. Already the first signals that come from the recent Central Committee meeting of the PCI say that the idea of the unity of the left is progressing. It will progress still more.

Question: But resistance, you said, is not lacking. There are those who propose that the trade union abandon the road of conflict and take a position as a true institution within the system. In brief, there are those who want you to take a position beside the present government or other similar governments in a kind of joint administration. Perhaps this is precisely for the purpose of having the consensus of the trade union instead of that of the PCI. What do you say about this possibility?

Answer: I say that the trade union is not an animal to be captured. Regarding the institution, let us be clear: For some time we have been an integral and essential part of Italian society. If, instead, institution means that we must become an instrument of consensus, then we simply do not understand each other. How can it be that precisely those who applaud trade union freedom in Poland would like us to take a backward step along the Polish road to transform ourselves into a convenient and docile apparatus? Go on, let's not make jokes.

Question: But, after the Fiat affair, your degree of representativeness seems to have decreased. The trade union of the councils is being accused on the matter of internal democracy. Resort to the referendum and to the secret vote in the plant is proposed. Doesn't this malaise bother you?

Answer: But from what pulpits do these lessons in democracy come? Whenever have these people who want to teach us the democracy of the referendum resorted to it in their own house? There is no organization in Italy that would submit its leaders and its decisions to controls of the kind and number practiced by the trade union.

Where has there ever been as much discussion as there has been in plant meetings? And who has ever had the courage that we had to face up to all the contentation, even that of minority and violent fringes? Let's be serious. Certainly a vote can be taken at one time by secret ballot and another by a show of hands. Just as referendums can be taken, but on questions that offer a clear choice between a yes and a no. However, please, don't try to come and give lessons in democracy to the trade union of the assemblies and the plant councils. These remain the essential instruments of our democracy and of that of the entire nation.

Question: We have spoken of external obstacles or interference. But problems exist within the trade union: If the EUR line is not passed, this is also due to the resistance of many workers against the possibility of sacrifices for a better future. It seems to me that nothing has changed today, rather the corporative resistances increase everywhere: Why does this happen and how do you plan to overcome it in the future?

Answer: Internal resistance has existed. To some extent because it is difficult to adopt the logic of certain sacrifices, above all when the governments do not instill confidence concerning basic changes that must be made. But, above all, because many workers find it difficult to understand the seriousness and depth of the Italian and world crisis. The situation is like that in 1929, but with the difference that there is not now, as then, a traumatic event that shakes the consciousness. The worst harm is that we are slowly and inexorably sliding downhill. Day by day we are becoming less secure and poorer. However, it is happening so slowly that few are aware of it. And this is true not only among the workers: Even among the employers or among our government leaders, there are few who are aware of the seriousness of the times.

Question: Yet there are those who say that the gross national product increases, wealth is not lacking, the stock market is running wild. Even some cabinet ministers are not pessimistic...

Answer: All those are ephemeral signals. What counts is that all the main businesses upon which our future as an industrial nation can be based are in a state of serious crisis. I see that stable employment is falling, that inflation is cutting into wages, that Italian products are seen less and less on foreign markets. The rest are fairy tales. My commitment today is to fight in two main directions. The first is to make the workers fully aware of the seriousness of this crisis. The second is to make the trade union a great force for change and reversal from the nation's downhill course. And in order to achieve this I will fight for agreements among the parties of the left. Divided we can only compete in blaming each other for responsibility of the defeat. United we can save the country: Those who do not want to do this will assume all blame for general disaster. I say this in the interests of millions of workers and not in function of the fortunes of this or that party. The French lesson, that of the pernicious rupture between the socialists and the communists, should be a warning to all progressive forces.

6034

CSO: 3104

CISL SECRETARY DISCUSSES MEMBERSHIP FIGURES

Rome QUOTIDIANO ABBE in Italian 24 Nov 80 pp 4-5

[Article: "Is It True That Trade Unions Are Losing Members? Nino Pagani (CISL) Gives An Answer"]

[Text] Auct. 21 Nov 80--Nino Pagani, CISL [Italian Confederation of Labor Unions] secretary in charge of membership enrollment, made some statements in which he depicted the status of trade unions, in particular that of the CISL, following the discussion opened by Rinaldo Ossola, (CGIL) [Italian General Confederation of Labor], who declared that 1980 would end with his confederation showing a 90,000 membership decrease in employed workers (currently: 4.5 million membership cards).

As is known, the UIL [Italian Union of Labor], has reviewed its status and reports a slight decrease of 7,000 members, which it hopes to reverse by the end of the year (the UIL at present has 1.2 million membership cards).

For its part, the CISL anticipates that it will reach its enrollment goal of 3 million members (partial data up to now indicate an increase of 70,000 members, but the closing of the enrollment, with definitive adjustments, is scheduled for 31 December).

In the interview Pagani acknowledged that Italian trade unions could find itself in trouble if it is not able to recover an image that is deeply rooted in the values of independence from parties, from owners of enterprises, and from institutions. The CISL director frankly argues with Ossola on this point. There are also reasons for worry regarding the capability of responding to the considerable changes in progress in the social fabric (the crisis in big firms and the increase in failures, risks, and underemployment): areas in which confederal trade unionism traditionally is weak. Pagani argues that the crisis also fosters divisiveness among workers: it shatters solidarity, promotes individualistic cultural patterns, objectively favors the whitening of the noncorporate system and of autonomous trade unionism.

Then, in setting forth enrollment data, Pagani specified that there will be a generalized increase in all regions, with considerable peaks in Rome and in other significant sectors of the center-south (Naples, Frosinone, Caserta, Pescara, Bari, Foggia, Catanzaro, Siracusa). In the industrial sector there are local deviations

at present in the area of chemicals (Milan) and in the building trade (Imperia, Nuoro, and Roma), counterbalanced by increases in other localities. There is a decrease in the textile industry because of the drastic reorganization of personnel in the sector. The following are stable categories: mechanical, polygraphic, alimentary (these latter indicate good increases).

In the "land" sector: 20,000 additional members in the Federcoltivatori (Farmers Federation), but a decrease in agricultural workers (perhaps 10,000).

As for public employment: fine all along the line: an additional 11,000 in local organizations, +12,000 postal, telegraph, and telephone employees, slight increases in state employees in the school and hospital sections.

The service sector shows increases in the maritime, port, railway, and civil aviation fields. There are several hundred additional members in the streetcar section. There are 7,000 more in the business sector, +1,500 in the banking sector, slight increases in the insurance field and in the theater sector. An additional 30,000 pensioners.

8255

CSD: 1164

PLAN FOR SMALL, MEDIUM INDUSTRY IN SOUTH PRESENTED

Naples IL MATTINO in Italian 15 Nov 80 p 4

[Article by Emanuele Imperiale: "Areas Equipped for Small Industries"]

[Text] The "plan for a qualified establishment of small- and medium-sized enterprises" presented yesterday at the Institute for the Economic Development of Southern Italy [ISVEIMER] by the Southern Financial Institute [FINE] and by [INISUD] is not part of the usual southern liturgy destined to remain in the realm of dreams. It is a very modern and concrete work hypothesis that probably is difficult to apply to such enormously different realities which are today the various "leopard-spot" areas of the South. The director of FINE, Olivetti, indicated the objectives of the proposal, that aims toward promoting qualified locations for establishment. A "Central Management and Technology Section" is hypothesized, with a well-equipped industrial area that should be run by a company "responsible for the return on its own investments." This managing company should be a mediator for entrepreneurs for solving problems related to the establishment and start-up of small- and mid-sized enterprises. It should furnish even the most qualified with all the necessary services.

What is offered industry is an environment--and this is the only criticism to be made of the proposal--which is perhaps very difficult to create in an area as dis-united as Naples. Perhaps it is more readily adaptable to flexible models such as the installations in the Adriatic ridge and some areas of homogeneous industrial development such as the Solofra area.

The success of the initiative, as Olivetti himself confirmed, is tied to certain pre-existing causes: the collaboration of local and regional groups, the co-involvement of currently existing scientific resources and capacities, active participation by large companies and a commitment to enlarge horizons while at the same time keeping a close watch on nonmanufacturing sectors, such as the agricultural and food industry.

Giorgio Ruffolo, the European Deputy of the Italian Socialist Party [PSI] and the President of FINE, pointedly noted the following: "To do this it is advisable to maximize political responsibility in as much as regards the programs and directives of the financial companies which operate in the South, and at the same time, leaving ample margin for managerial and professional responsibility in industrial management."

Only with this vision can one lay the groundwork for the proposal, which as Gianni Zandano, president of INSEUD, said, "can be characterized as a well-organized installation capable of accommodating the enterprises but also of enriching them with services at accessible costs, which the individual small companies would have difficulty doing if they had to rely exclusively on their own forces."

How are the local entrepreneurs reacting? Mr Carola, president of the Industrial Union of Naples, recalls that there already exists a plan to establish rural industries companies in three places: at the mouth of the Sarno, at Nola and in the Giugliano area. Di Donato, the deputy mayor of Naples, said that a concrete experience was what the commune did with the shoe manufacturers and tanners, who had united so as "not to die." For them an area of productive installation, which had been found by the administration, was identified.

Nicola Capria, minister for the south, intervened at the close of the proceedings to emphasize, among other things, that "the government is convinced of the need to assure the continuity of the South's system of extraordinary intervention, even though the new law should be profoundly updated."

Capria described the lines along which he intends to move on this issue. (IL MATTINO had already revealed what these lines would be a few days ago when the minister spoke to the members of the Interparliamentary Committee for the South.) The socialist minister confirmed the necessity for an open dialogue on southern policy together with all the democratic forces without dictation by the majority. He believed such a dialogue will not be easy because the position of the largest party in opposition is clear, as was reaffirmed in the last few days by Macaluso of the PCI, "The Development Fund for the South must be dissolved."

Regarding the policy of incentives, Capria remained cautious. "It is necessary," he said, "that they be automatic, transparent and swift." In any case, they are to be kept alive in order to make up for that differential which still penalizes the southern economy.

9729

CSO: 3104

OLIVE GROWERS OF PUGLIA CRITICIZE EEC

Bari LA GAZZETTA DEL MEZZOGIORNO in Italian 7 Nov 80 p 9

[Text] At the conference of the National Union of Olive Growers held in Bari concern was expressed regarding the policy of the EEC in a statement outlining guidelines for the safeguarding and development of the sector. It said the EEC "in its actions has favored the seed oil sector and denied the necessary support for olive oil because of budget difficulties and strenuous opposition from the countries of Northern Europe." During the course of the conference, the Council of Ministers of the community, the European Parliament and the EEC Commission were asked to "pay closer attention to the executive treaty's economic and social objectives which cannot be compromised because of budget difficulties," and to remember that the olive growers' sector represents over a million and a half workers. The President of the Council was asked to support with greater diligence the olive growing sector vis-a-vis the community. The Minister of Agriculture was asked to defend the prized quality of olive oil by modifying as soon as possible the inadequate law governing classification of oil and to provide for --in implementation of the 984--a decisive role for associations of producers in creating marketing structures. Finally, it was urged that the regions, particularly Puglia, pay greater attention to a program whereby the management of the producers associations and the cooperatives belonging to them would intervene--in accordance with the demands of the professional agricultural organizations.

Meanwhile, in Bari, at the Provincial Federation of Commerce, oil merchants from Puglia met. Dr Forcella, president of the Oil Federation, informed those present of the decisions adopted by the EEC regarding the intervention prices set for the oil campaign, which began 1 November.

These guaranteed prices begin at 2,345.38 lire per kilo for the Extra, first grade oil, as compared to last year's 2,150.56 lire, an increase of 194.82 lire, or about 9 percent.

The intervention of Fino oil was fixed at 2,225.39 lire compared to 2,069.58 last year.

The intervention price on Lampante, third grade oil was fixed at 1,996.85 lire as opposed to a previous 1,840 lire. To these prices will be added the usual monthly increase set at 16.44 lire, valid from 1 January to 31 July 1980.

Consumption aid was set at 485.144 lire per litre before withholding for management expenses, which are 1.3 percent. Regarding this new measure introduced by the EEC to permit further support for the olive oil industry, by reducing the selling price to equal that of consumption aid, Dr Forcella said the EEC has officially communicated, through the consulting committee, that special investigations and studies (with graphs) reveal the complete success of this new measure.

9729

CSO: 3104

PCE REESTABLISHES RELATIONS WITH CHINESE COMMUNIST PARTY

Madrid MUNDO OBRERO in Spanish 14-20 Nov 80 p 37

[Text] Peking (from our special correspondent)—The visit to Peking by a delegation from the PCE [Spanish Communist Party] is unquestionably an important event from the standpoint of the leadership of the Communist Party of China. The top-ranking Chinese officials (Hua Guofeng, Deng Xiaoping and Hu Yaobang) who received Santiago Carrillo and the Spanish delegation, and with whom the bilateral meetings were held, underscore this point. Certain formal, protocolar aspects, such as the fact that the delegation was lodged in the same place as the Spanish monarchs during their visit to this city, attest to it. After being greeted upon its arrival by the secretary general of the Communist Party of China, Hu Yaobang, the delegation was received in an atmosphere of extraordinary cordiality by Hua Guofeng, who stated that this was the first time that he saw Santiago Carrillo, but that he had nevertheless been familiar with him politically for a long time, as he was with the positions of the Spanish Communist Party.

Hua Guofeng was accompanied by other Chinese Communist Party leaders, some of whom had participated in the "long march," and remembered an old song about the defense of Madrid.

Santiago Carrillo also mentioned the period when, "to the Spanish Communists, the personages of Mao Tse-tung and Chou En-lai, as well as the war action against the Japanese, were a cause for encouragement and admiration." Thus, both officials emphasized that this visit and the present talks were in the nature of a reencounter, and a restoration of an old friendship which had been interrupted.

Hua Guofeng talked about the various periods in the history of Chinese Communism: its period of identification with the Soviet Union, which used to be regarded as an "older brother," and the subsequent efforts to find its originality, with complete independence and freedom. "The Chinese Communist Party is 59 years old, and the Spanish Communist Party is 60. We are now mature enough to think with our own brains." Santiago Carrillo, for his part, also discussed this period, wherein there were no normal relations between the two parties; although he pointed out that, "in 1971, the only Communist Party in contact with China was the Spanish Communist Party, although that did not continue subsequently."

In brief, from the tone of the general statement made this morning in the speeches by the Chinese and the Spaniards, one may infer that it is the intention of everyone to reestablish a relationship of friendship and cooperation, in the spirit of deeming

as essential the principles of each party's independence, non-interference, mutual respect and nonacceptance of the concept of a guiding party or a single model for the Communist movement.

The general political context in which this visit occurred was the current concern in Peking about the international situation and the problems of peace and the negation of the validity of the theory of "limited sovereignty" declared by the Soviets; and, insofar as domestic issues are concerned, about the changes that have occurred in the Chinese party and government since the death of the great historical leaders of Chinese Communism and the political liquidation of the "cultural revolution." In this connection, the imminent initiation of the trial of the "gang of four" is an irrefutably timely event.

Both Spaniards and Chinese cite this formal resumption of relations that will occur on the basis of political agreement and respect for the potential areas of disagreement, or those wherein there are nuances and opposing views. As Carrillo stated: "If there are differences, experience and time will tell who was right; and we shall both be happy to acknowledge it. What is serious for a party is not making mistakes, but rather failing to admit them, and allowing them to be considered successes."

In the evening, the secretary general of the Chinese Communist Party, Hu Yaobang, tendered an official dinner for the Spanish delegation and, in a toast, mentioned "the Chinese Communists' admiration for the principled position of the PCE in insisting upon independence and self-determination, and its spirit of not fearing to explore new paths." According to Hu Yaobang, "The reestablishment of relations is in the interests of the Communist movement and world peace."

Santiago Carrillo declared: "The Western news media, sociologists and political experts question the meaning of your search, and at times are bewildered by the changes that are occurring in China. We revolutionary Marxists, on the other hand, follow your debates with as much interest as understanding. No one in the ranks of advanced, progressive mankind could view with indifference, much less hostility, the Chinese people's effort to occupy the leading position that belongs to them in the present-day world." He ended his toast by saying: "The struggle for peace, which entails opposition to imperialist and expansionist tendencies, and to the attempts to intervene through military force in the affairs of other peoples and states, and respect for the independence and self-government of each and every nation on earth, is a cause in which we are convinced that Chinese and Spanish Communists are united today."

In fact, although the bilateral talks have not yet begun, there is every indication that they will surely conclude with the resumption of relations in an atmosphere of restored cooperation and friendship.

2909
CSO: 3110

PREVIEW OF KEY ISSUES FOR 10TH PCE CONGRESS (15-18 JULY 1981)

Madrid MUNDO OBRERO in Spanish 7-13 Nov 80 pp 4, 12

[Excerpts] The PCE's [Spanish Communist Party] Executive Committee has submitted to the Central Committee the proposal for convoking the 10th PCE Congress from 15 to 18 July of next year.

We believe that this is a reasonable period of time for a committee (the membership of which we shall decide upon later) to prepare the planks. We think that it should have for its work an interval extending from its appointment now until 31 January, after which the text that has been prepared will be examined, discussed and approved by the Central Committee, so that the party organizations may have the months of March, April, May, June and part of July to study and discuss it, as well as to prepare the amendments to be submitted to the congress. We believe that we are expressing the desire of the entire party in asserting that the pregress debate and the activity of the congress will be completely democratic, and that, during the course of it, all the opinions existing in our ranks will have a chance to be compared with one another.

A Completely Democratic Pregress Debate

In the end, it will be the majority of delegates who, with their votes, settle the debates and decide on the policy that the party as a whole will carry out until the following congress.

We think that the congress should respond to the problems which the working class and the working strata of the country as a whole, have at present and will have in the immediate future: the crisis, unemployment, the situation in agriculture, and in small and medium-sized business, and the need for reorganization in many business firms and branches of production; and that, at the same time, it should deal with the problems of building the state of autonomies, and the cultural problems, and, of course, discuss issues such as the adaptation of the party structure to the needs of the times, ways of injecting it into the social fabric, and its relationship with the mass movements that we might term traditional, and with the new mass movements, etc.

But, at the same time, the 10th Congress must also offer a clear prospect of the struggle for sociopolitical democracy, and the struggle for a socialist solution; a prospect which clearly establishes the signs of the PCE's identity among the Spanish political parties as a whole.

The 10th Congress will have to make a critical and self-critical analysis of the policy of the party and its leadership organs during this period, drawing conclusions from our own experience and, in general, from all the experience of the transitional period.

In our opinion, the congress must be a reaffirmation of the gains made by the PCE in its capacity and its complete independence for devising its strategy. It must be a congress of renewal and continuity, simultaneously, inspired by political criteria. And obviously the congress will elect the PCE's new leadership organs with complete sovereignty.

We think that, for the party's information during the period of preparation for the congress, some pamphlets should be published, not so much as materials for discussion but as materials for information, to facilitate the discussion of the planks. For example, it might be feasible to publish, under the title "10th Congress of PCE," a pamphlet on the activity of the Communist Parliamentary Group. Also, it might be helpful to have a pamphlet on the activity of the communists in the municipalities and chambers of deputies; another with a compilation of the main political resolutions of the central organs between the 9th and 10th Congresses; and another on the international relations maintained by the party during that period.

Plank Committee

Santiago Carrillo, Carlos Alonso Zaldivar, Julian Ariza, Manuel Azcarate, Pilar Brabo, Marcelino Camacho, Enrique Curiel, Anselmo Hoyos, Simon Sanchez Montero, Jose Sandoval, Nicolas Sartorius, Julio Segura, Jordi Sole Tura and Ramon Tamames.

This list was approved, with 83 votes in favor, nine opposed and 13 abstentions.

Periods Proposed for the Convening of the 10th Congress

Preparation of the draft planks: until 31 January

Discussion and approval by the Central Committee: until the end of February

Discussion in the organizations: March, April, May, June and until 15 July

Convening of the 10th Congress: 15-18 July 1981.

2909

CSO: 3110

GREATER ECONOMIC GROWTH SEEN AS ONLY SOLUTION TO CHALLENGES OF 1980'S

Madrid ABC in Spanish 23 Nov 80 pp 42-43

[Article by Damian Hernandez Lopez]

[Text] The historical analysis of the current situation, as well as the study of the scenarios, has served to indicate intolerable situations, both real and potential, that we shall term problems. These situations have dynamics of their own, but they are also closely interconnected. The identification of these problems has been achieved through a scientifically structured dialog with representatives of the pertinent ministries and specialized committees consisting of representatives from the private sector. The structuring of the problems previously identified has been achieved through the use of the ISM (interpretative structural moderation) methodology, derived from the systems analysis.

Problems of the 1980's

Three categories of problems were identified: those produced by the previous model of growth, those produced by the international environment and those stemming from the future model of growth.

The problems produced by the previous model of growth are: P-1: technological dependence, insufficient capacity for innovation. P-2: flawed financial structures, excessive intensity in borrowed capital. P-3: lack of competitive development in the external sector. P-4: excessive dependence for energy. P-5: industrial structure concentrated on nondifferentiated products. P-6: inadequate and noncompetitive entrepreneurial dimensions. P-7: conflicts and violence. P-8: disparity in income.

The problems produced by the international environment are: P-9: inflexibility of the productive structure with respect to the changes in the international division of labor. P-10: insufficient internal resources in a situation marked by shortages and high prices of raw materials and energy. P-11: inability to control the internal monetary system in a context of international monetary disorder. P-12: inability of the governments to development microeconomic policies for supply.

The problems stemming from the future model of growth are: P-13: inability of the system to produce full employment. P-14: slow growth.

Scaled Structure of the Problems

The scaled structure of the problems shown on the chart evokes two main comments: In the first place, the readers of ABC might have read, in the issue of 31 October 1980 (page 42), the view of Dr Otto Vogel to the effect that, "in an economic policy for the 1980's, the quality of the conditions for the supply should be promoted as a top priority (at least under the conditions wherein the Federal Republic of Germany is operating)." The report entitled "Spain During the 1980's" had reached the same conclusion, placing at the top level of the problems of the decade the governments' inability to develop microeconomic policies for supply (P-12). It is, moreover, symptomatic that international agencies such as the IMF [International Monetary Fund], GATT [General Agreement on Tariffs and Trade] and OECD [Organization for Economic Cooperation and Development] are now becoming inclined toward these ideas.

Secondly, we can clearly discern the vicious circle typifying the present situation in Spain of "slow growth-unemployment-conflict" (P-14, P-13, P-7) which, as may be observed in scenario A (that of continuism), may persist as a scenario of what is intolerable if major changes do not occur in other parts of the system.

Objectives

With the problems defined as "intolerable situations," the action aimed at successfully correcting those intolerable situations appears in the form of natural objectives of the socioeconomic policy.

When the chart is examined in the opposite direction of the problems, four levels appear, arranged as:

Final objectives: A social objective, the more equitable distribution of income; and two economic objectives, development of the external sector and reduction of dependence for energy (maneuvering room).

Objectives for improvement of the behavior of the economy.

More deepseated objectives involving restructuring of the productive systems.

Instrumental policies.

Supply policy, backed by the observation that decisions on the part of business owners are essential for increasing the capacity for innovation, improving the financial structures of the business firms, developing new sources of energy and basic resources, diversifying the productive apparatus with new differentiated products and making the mergers and concentrations required by modern technology, lending the Spanish productive system the flexibility and dynamism demanded by the future international division of labor and the acceptance of the great challenges: entry into the Common Market and autonomous development.

Supply policy, therefore, means the creation of a favorable context for business owners' decisionmaking (reform of the financial system, of the law on corporations, of the regulations governing competition, of the labor legislation, of the tax

system, of social security and of the regulations concerning social responsibility), and the establishment of a more flexible administrative methodology, conforming to the Common Market, which will avoid the excessive continuation of bureaucratic red tape.

Supply policy also means backing for the creation, expansion, diversification, clearing up of finances and reconversion of business firms, through measures aimed at reducing risks and insecurity, as well as measures involving specific intervention which, based on the guiding principle of rationalizing public spending, demands an explicit consideration of the options for concrete plans, the list of which transcends the purpose of this article.

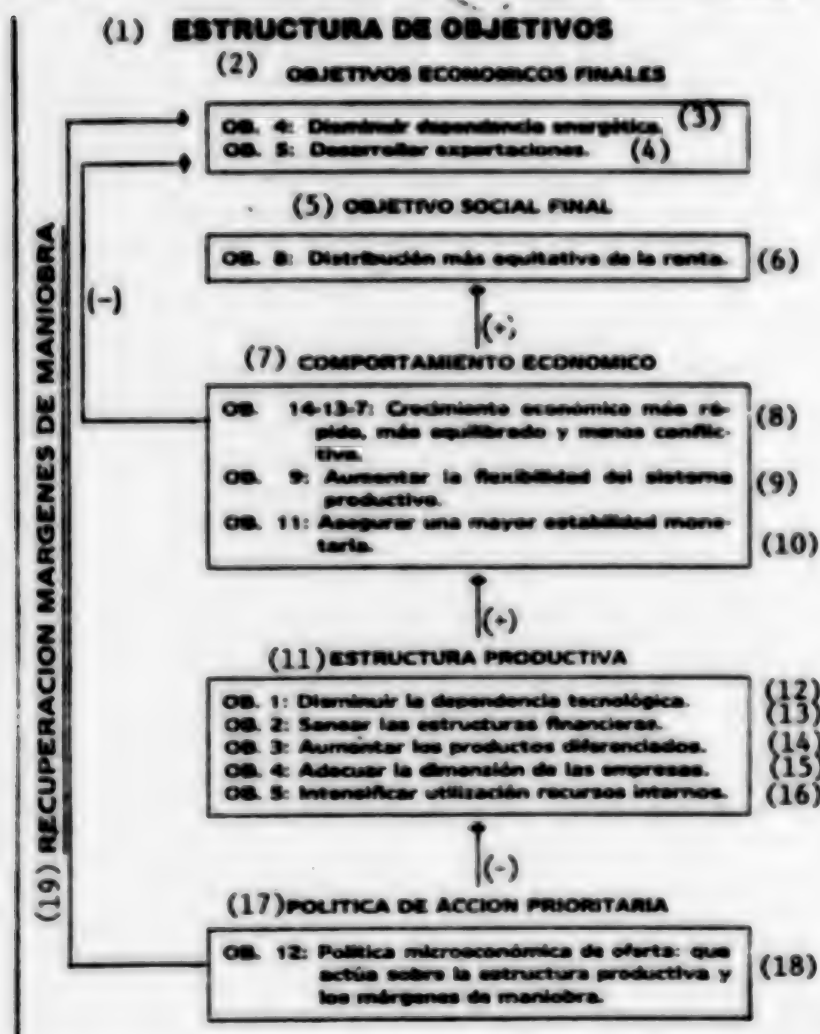
Finally, supply policy means a long-term plan for an advanced industrial society which, precisely because it is long-term, is all the more urgently needed.

Strategies and Conclusions

The entire study "Spain During the 1980's" concludes that there is a need for greater economic growth as the only change required for converting, with guarantees, the great challenges of the period (Common Market, autonomous development, Latin America and the Mediterranean) into constructive plans for the historical dynamics of the Spanish people.

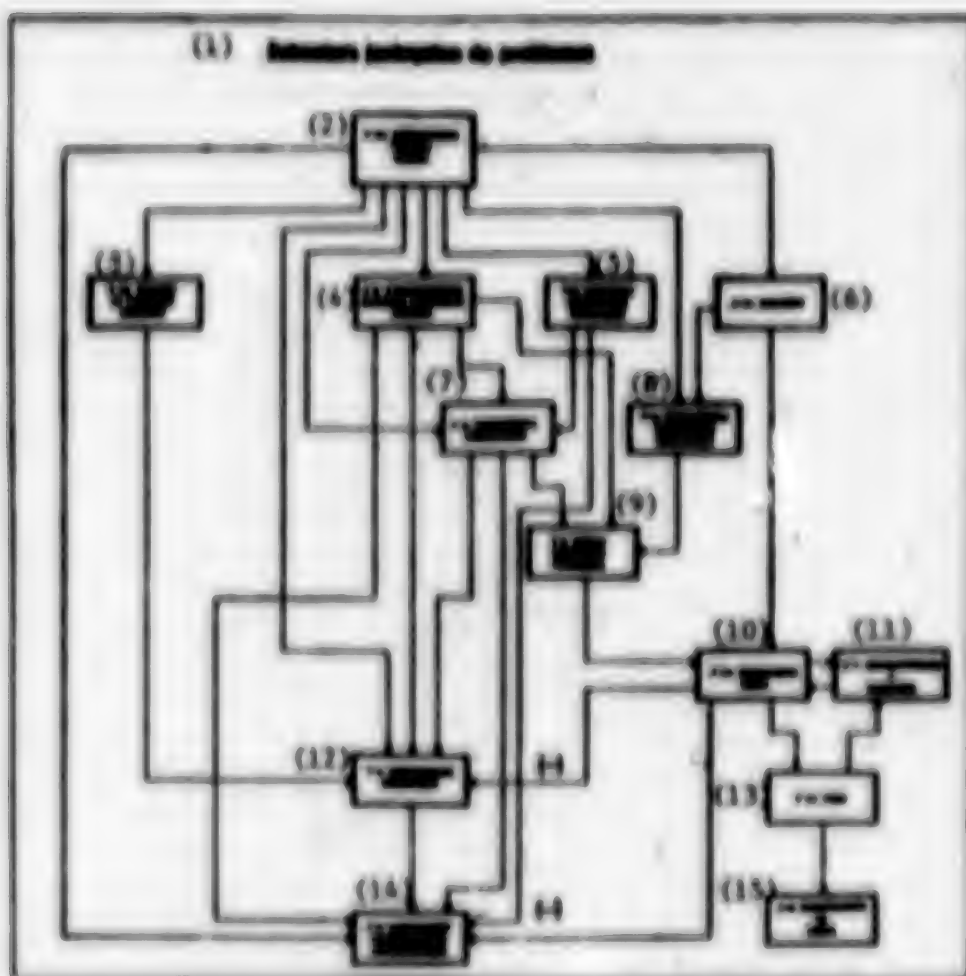
Under the present circumstances, marked by insecurity in the international environment (North-South dialog, European institutionalization, energy rupture) and vulnerability of the Spanish economy, only an agreement among all the agents of the economy, backed by intelligent leadership by the public administration, can acquire for the Spanish economy the internal consistency needed to put the country on the path of moderate growth.

Dialog, negotiation, accord and plans are the essential elements for laying the groundwork for a growth which, allowing for the immediate restructuring of the Spanish economy, will hasten the construction of tomorrow's society.



Key:

- | | |
|--|--|
| 1. Structure of Objectives | 10. Insure greater monetary stability |
| 2. Final Economic Objectives | 11. Productive Structure |
| 3. Reduce energy dependence | 12. Reduce technological dependence |
| 4. Develop exports | 13. Clear up financial structures |
| 5. Final Social Objective | 14. Increase differentiated products |
| 6. More equitable distribution of income | 15. Adjust size of business firms |
| 7. Economic behavior | 16. Intensify use of internal resources |
| 8. Faster, more balanced and less troubled economic growth | 17. Policy for Priority Action |
| 9. Increase flexibility of productive system | 18. Microeconomic supply policy, which will act on the productive structure and maneuvering room |
| | 19. Recovery of maneuvering room |



Key:

1. Scaled Structure of Problems
2. Inadequate supply policy
3. Shortage of internal resources
4. Excessive concentration of basic products
5. Inadequate business firm size
6. Inflation
7. Technological dependence
8. Fixed financial structures
9. Inflexible productive structure
10. Slow growth
11. Conflicts and violence
12. Energy dependence
13. Unemployment
14. Insufficient exporting competitiveness
15. Disparity of income

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CSO: 3110

FORMER MINISTER DISCUSSES AEGEAN ISSUE

Ankara YANKI in Turkish 8-9 Nov 80 p 8

[Interview with former Foreign and Defense Minister Hasan Ertat Isik; date and place not given]

[Text] Former Foreign and Defense Minister Hasan Ertat Isik replied to questions put to him by YANKI:

YANKI: How and when was the Turkish-Greek equilibrium in the Aegean established?

Isik: Neighborly relations between Turkey and Greece began, as did many other similar relationships, with disputes and quarrels. Greece's desire to secede from the Ottoman Empire and form an independent state did not hurt Turkey, however the real problem showed itself on the subject of the dimensions of the new state. This problem, which led to a great deal of dispute, was solved in a positive manner by a treaty concluded after the Turkish War of Independence. Following the War of Independence, the Turkish nation and Ataturk stressed friendship with Greece rather than the rights of the victor. The treaty, too, was of a kind that would create friendship rather than according rights to a victorious state, and an equilibrium was brought about.

YANKI: What are the bases for this equilibrium?

Isik: The fundamental basis is the sharing of the Aegean in a just manner between the two states. A solution has been found for every problem. For example, even though Western Thrace, including Thessaloniki, had a Turkish majority, it was relinquished to Greece in view of considerations of Greece's national security. The Dodecanese Islands in the Aegean were left to Greece in actual circumstances which were neither reasonable nor just. Greece, which had emerged from World War II in a tattered state, saw the attachment of the Greeks resident on the islands to the motherland as a good means to raise her spirits. Turkey did not hesitate in performing this generous act as well. Although the matter at hand is the status of the Greek islands as Turkey's "guests," Greece takes this status to be a right, and has been seized by the ambition for sovereignty over the waters between Greece and the islands. One could more accurately term this an "ambition to become an archipelago-state."

YANKI: Did the fact of the entry of the two states into NATO at the same time affect this ambition?

Isik: Following its entry into NATO, Greece made use of NATO as a step towards achieving this ambition. While Turkey did not attach much importance to the Turkish-Greek balance in the Aegean after joining NATO, directing its full attention to the joint defense of NATO, Greece pursued the exact opposite course. Using joint defense as a means, she sought to tie down her sovereignty over the Aegean to Turkey's disadvantage. These two opposite policies disturbed the Turkish-Greek equilibrium. I feel that henceforth it will not be possible for two states to coexist within NATO with this contradiction. When Turkey and Greece joined NATO, there was a military balance between them, especially in matters which could affect movements in the Aegean. Greece wishes to preserve this balance which now has changed to her favor. There is nothing reasonable about this. The real equilibrium that ought to be preserved should be either one that is arrived at by keeping in mind the military problems and geographic makeup of both Turkey and Greece, or else the equilibrium that was in effect the day that both Turkey and Greece entered NATO.

YANKI: What kinds of effects has this change in the balance had on relations?

Isik: Greece by now does not intend to permit recognition of any Turkish rights or responsibilities in the Aegean outside of Turkey's own territorial waters. The air control center on Limnos has greatly expanded its area of control. While international law sets territorial airspace at six miles it now can claim a limit of 10 miles.

YANKI: What is your view on this often mentioned "7-10" balance?

Isik: In order to preserve the balance which she has altered to her favor, Greece has put forward the view that "there should be a balance between Turkey and Greece at a ratio of 7 to 10." At the same time she tells the allies, "when giving aid to Turkey and Greece, don't disturb the balance." Yet, military power cannot be measured solely by the yardstick of the aid that is given. Military power created internally also has to be evaluated. Greece is using a large proportion of the funds she raises from her own resources to strengthen her position in the Aegean. Turkey, on the other hand, distributes these with an eye on all of its borders. If our allies were to observe the 7-10 ratio in future aid, Greece would continually strengthen her forces in the Aegean by using her own national resources, and one day the balance would be disturbed even more in favor of Greece.

YANKI: In that case, how can the balance be preserved?

Isik: This balance should be based on the aid received from our joint allies plus the totality of what we realize from our national resources. Greece has increased her strength relative to Turkey both in the air and on the sea. It is also clear that she has no intention of abiding by even a 7-10 balance.

YANKI: How do you evaluate the question of Greece's return to NATO while the question of Turkey's command responsibilities in the Aegean remains unresolved?

Isik: As long as Greece holds fast to the idea of sovereignty in the Aegean instead of joint defense, harmonious cooperation within NATO, Turkey cannot say "yes" to these questions. In order for the two countries to cooperate smoothly

within NATO Turkish and Greek control responsibilities and rights must be divided in a manner more suited to the positions of these two nations.

YANKI: To what extent was this brought about by the latest agreement?

Isik: It is to be much regretted that this appears to be less than satisfactory for Turkey. As a matter of fact Greece, by this agreement, removed one or two of the sources of irritation she had felt under the former regime, while the removal of sources of irritation felt by Turkey was left for the future, even left up to Greece's good will. Mr Rallis, stating in a meeting that, "This agreement does not change much of anything as compared to the period prior to 1974; the only alteration is to be the establishment of a military command at Larissa," thereby saw himself entitled to defend the pre-1974 state of affairs. Greece was also able to have an objectionable clause inserted into the agreement: this clause states that, "Greece can regard as valid the rights accorded to her in prior NATO documents." This, too, means that Greece can demand the continuation of the status quo, and can say that, "Turkey's responsibilities on the sea cannot extend beyond its territorial waters."

YANKI: In that case, is it true that Greece has not given up any of her claims?

Isik: That is so, and while Izmir at present constitutes a single command for NATO, now we've accepted the establishment of a Larissa command as well. This is also a development in the direction of Greece's efforts to diminish Turkish rights in the Aegean. Moreover we cannot discern any change in the tendency of other NATO states to look after Greece rather than Turkey, in fact we see their inclination to continue this tendency. This, too, is very ominous for the future. Finally, this puts Turkey, who cannot give up its rights in the Aegean, in a tense position. Therefore I cannot term this an agreement that will be able to assure the effectiveness of NATO, and bring about an easing of frictions between Turkey and Greece. The agreement only assured Greece's membership in the military wing of NATO. Nevertheless, as long as an accord is not brought about, this has no value from a military standpoint.

YANKI: In that case, why is this membership seen as important?

Isik: From a political standpoint... This, too, is not a political outcome from the standpoint of the Aegean issue, but from the standpoint of NATO. It is a political step which will facilitate Greece's relations with the West.

YANKI: What will be the state of affairs from now on?

Isik: From now on Turkey will face difficulties in its relations with NATO and the West, while Greece will to a great extent ease the difficulties she faces.

YANKI: In these circumstances what should Turkey's posture be from now on?

Isik: Henceforth in discussions with NATO we must decisively insist on an arrangement which would show that our rights extend beyond our territorial waters. In this, too, if no one shows concern, this can push Turkey into more difficult struggles in the future.

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CSO: 4907

FOREIGN MINISTERS COMMENT ON AIRSPACE TALKS

Istanbul MILLIYET in Turkish 15 Dec 80 p 7

[Excerpt] Answering MILLIYET's questions following the bilateral talks, Greek Foreign Minister Mitsotakis said, "Some concrete developments will emerge concerning Aegean airspace, not months from now but within a few weeks." Turkish Foreign Minister Turkmen, however, was more reserved in his appraisal and said, "This meeting cannot be called a turning point, only a positive step."

While answering questions, Mitsotakis said the following about the current stage of developments between the two countries, "In my opinion there are a great many ideas and opportunities available to us this time for the righting of relations and the ensuring of a new departure." Mitsotakis stated that priority is being given to the most easily resolvable problems and, therefore, the Aegean airspace issue is being addressed. He responded to the question, "When will there be a concrete result," by saying, "We will see concrete developments not in months but in a few weeks. Be a little patient."

In answering another reporter's question as to whether Greek "gestures" are linked to that country's full membership in the Common Market slated to become effective prior to 1 January 1981 or thereabout, Mitsotakis answered, "We have no aim or intention of injecting our problems with Turkey into the Common Market. Speculation to that effect has no truth in it."

Turkish Foreign Minister Turkmen, in responding to MILLIYET's question, "Would you characterize this meeting as a turning point in bilateral relations," answered, "I regard it only as a positive step." Turkmen answered our question as to whether there has been any progress on the continental shelf issue by saying, "This time we focused on the airspace issue. The secretaries general have continued work on the continental shelf issue in Athens. However, their work had little or no impact on these talks."

The foreign minister responded to the question of whether the continental shelf issue has been tabled while airspace is given priority by stating, "The continental shelf issue has not been tabled. We believe it useful to resolve as soon as possible those issues where speedy results are possible."

Turkmen stressed that "these talks and the recent decisions taken should not be viewed as deceptive" and that "concrete results would be disclosed in the coming weeks."

The problems between Turkey and Greece that await solution concerning Aegean airspace are, in order of importance:

1. The 3-thousand-square-mile control zone around Lemnos. Turkey states that this was established unilaterally and must be abrogated.
2. Since there is no procedure for the mutual issuance of NOTAM's, Turkish aircraft are being interdicted and Turkish maneuvers in international airspace are hampered. It is asked that a procedure be established for NOTAM's and that Greece continue FIR service in accordance with international regulations, not as an exhibition of sovereignty over the Aegean.
3. Greece has two permanent [military] training areas over the Aegean. It is desired that these areas not be given a permanent status.
4. The air corridor designated "W-15" which extends through the Greek Islands in the Aegean is hampering Turkish aircraft passage into airspace over this sea. Turkey wants a regulation that will ensure its aircraft passage through this corridor or the corridor to be abolished completely.

By means of the above measures Greece has closed to Turkey 65 percent of Aegean international airspace. Ankara expects the lifting of these measures and, most importantly, the limiting of Greek island airspace in the Aegean to 6 miles, not 10 as Athens has asserted.

CSO: 4907

NEW AGREEMENT WITH IRAQ SOUGHT ON PIPELINE

Istanbul MILLIYET in Turkish 15 Dec 80 p 6

[Text] It is expected in the coming months that Iraq will boost the amount of oil provided Turkey via the [Kirkuk-Dortyol] pipeline and that payments being made to Turkey for oil transited through the pipeline will be reworked in conformance with present conditions. These matters were discussed during official talks with Iraqi Minister of Industry and Minerals Tahir Tawfik. It was learned that the Iraqi Government will inform Turkey in the coming days of its decision on this matter. The Turkish Government is placing great emphasis on these two issues. Moreover, this problem was communicated [personally] by Head of State Kenan Evren to the Iraqi Government for the first time.

Turkey will start receiving 1 million tons of oil a month as of this September in accordance with the pipeline agreement. Although the pipeline agreement provides for Turkey's receipt of this amount of oil prior to this date, it has been impossible to implement this article of the agreement because of the \$300 million oil debt which was accrued by this country particularly during the National Front period and which could not be paid. Turkey now wants to revive this article of the agreement and consequently show that it has been paying off its debts.

According to gathered information, Iraqi oil is the most viable for Turkey. First, Iraqi oil comes cheaper because there are no shipping costs. Secondly, oil provided by that country can be refined more easily in our facilities. Turkey paid \$51 million in transport costs in the first 10 months of this year for oil from other countries.

The matter being emphasized is the increase in transit fees that Turkey receives from the pipeline. This fee is still 38.9 cents per barrel and has not increased since the pipeline's construction. In fact, the Iraqi Government up to now has been intransigent with regard to this figure, which must be boosted in accordance with the agreement, and has continually raised objections [to a hike]. Head of State Evren stated in talks with Iraqi Minister Tawfik that Turkey has put priority emphasis on this problem. If agreement is reached on this issue, the fee increase will be 2 years retroactive. It is reported that the fee could rise to around \$1.20 per barrel in the future. A definite decision in this regard is expected from the Iraqis. At present Turkey obtains an average \$60 to \$70 million a year in foreign exchange from the pipeline.

TURKEY

ECONOMIC OUTLOOK FOR 1981 PROJECTED

Istanbul CUMHURIYET in Turkish 18 Dec 80 p 5

[Text] Information on "general economic indicators" reported by the State Planning Organization [SPO] reveal that Turkey in 1981 will have a foreign trade deficit of \$5.5 billion and a balance of payments deficit of \$3.4 billion.

Figures for the foreign trade section of the 1981 economic program have been finalized. According to these figures Turkey is slated in the coming year for \$9 billion in imports in comparison to \$3.5 billion in exports. It has been planned that the disparity between imports and exports--known as the foreign trade deficit--will be \$5.5 billion.

The balance of payments deficit--regarded as the general indicator of foreign trade performance--is calculated at \$3.45 billion in the SPO's 1981 program. According to the 1981 program Turkey expects to receive \$2.4 billion in worker foreign exchange over the next two years. The revenue expected from tourism is \$250 million. One of the most interesting program estimates is the figure for foreign aid to be used for imports next year, known as "program credit." In this area the SPO bases its hypothesis on a foreign aid package of \$2.5 billion for next year. Besides the program credit for imports, \$900 million is expected from project credit in 1981. Private foreign capital expected to flow into Turkey is \$180 million.

By comparison Turkey will pay \$680 million on foreign loan principal in 1981. Moreover, Turkey will pay \$820 million in interest on foreign loans. Consequently, principal and interest payments on foreign loans will total \$1.5 billion for 1981. When \$70 million in service payments on project credit is added to this, the amount rises to \$1.57 billion that must be paid on foreign loans in 1981.

Thus a curious picture emerges with regard to foreign aid. Although Turkey expects a total \$3.4 billion in program and project credit in 1981, it will have to pay in the same year \$1.57 billion in principal and interest on foreign loans that have been accumulated over the years.

CSO: 4907

CHANGES IN COMMERCE LAW PROPOSED

Istanbul CUMHURİYET in Turkish 3 Nov 80 p 4

[Analysis of investors' reform demands by CUMHURİYET Economic Service]

[Text] Istanbul, 3 November--CUMHURİYET Economic Service--There have been calls for needed changes in the commerce law that would put small and medium scale investors in an "effective" position in the control and direction of publicly held companies.

In a statement issued in the name of investors, it was stated that the section of the Turkish Commercial Code dealing with joint stock companies contains statutes which are the cause for a "lack of confidence." It was stressed that members of the board of directors along with administrators and personnel employed by the company at "good" wages engaged in "whitewashing" at general meetings of stockholders, and that this amounted to a "whitewash" of their own performance. Also, some members of the board take away the authority of representing the stockholders by the method of "collecting proxies," thereby assuring themselves the opportunity of being reelected as directors. The statement continued as follows on the subject of controllers:

Under the law controllers, who are in a position to oversee the activities of members of the board of directors as well, are in one respect put into their posts by the votes they obtain from members of the board of directors. In such a situation the probability that they will be able to carry out their responsibilities in an effective manner is weakened. Therefore it is necessary that the following articles be added to the Turkish Commercial Code:

In joint stock companies having more than twenty shareholders, the election of the board of directors must be completed prior to the elections for the post of controller.

Newly elected members of the board of directors and members who continue in office, as well as shareholders who work for a remuneration or have been so employed within the past year are excluded from voting in their own capacity or as proxies in the elections for the office of controller or in the vote on the discharge of the statement of business activities.

Provided changes along these lines are made in the law, it was stated that "confidence" in publicly held companies would increase even more. The statement also

demanding that individuals not connected with the profession be barred from acquiring shares in specialty firms, stating, in summary, the following views:

The chances for success of companies founded by individuals of the same profession or occupied in the same field, and directed and controlled with the professional expertise of those individuals, are far superior to those of companies in which individuals of various professions and fields participate only with their capital.

However, since under the law individuals in other fields of endeavor cannot be barred from becoming shareholders in companies founded by individuals from the same profession, these sorts of firms swiftly pass into the hands of large capital groups which are not from that profession.

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CSO: 4907

REPORT REVIEWS NATO AID TO TURKEY

Istanbul MILLIYET in Turkish 18 Nov 80 p 6

[Article by M. Ali Birand]

[Text] Brussels -- The 172-member North Atlantic Assembly composed of parliamentarians from the 15 NATO nations heard, at its 26th annual congress, a 26-page report on internal developments in Turkey in which it was stated that "foreign aid to Turkey would be regulated according to the attitude of the new administration."

The document, number PC/SR(80)13 which was distributed only to members of the political committee, included also for the first time in NATO Assembly efforts regarding Turkey, sections dealing with separatism.

A draft resolution on Turkey was also submitted to a vote at the congress. Turkey has made official demarches in the capitals of the 15 nations to have changes made in this draft and report, which are milder than the 1967 resolution on Greece previously, but harsh when viewed in the framework of the NATO Assembly attitude to date.

However, the political committee office heard the objections to certain sections of the report by Turkish Assembly members Irfan Ozaydinli and Erdogan Adali and removed these sections from the report. When the political committee office accepts changes in a resolution, a final decision by the political committee is necessary for removing those matters from the report. The political committee is expected to approve this decision.

The report was prepared by Mrs Mona Rokke, reporter of the Southern Flank Subcommittee, which is headed by former Dutch Foreign Minister Van der Stoep, who with committee officials had made contacts in Ankara regarding the report.

The previously announced goals of the 12 September action were explained in the report. The report also mentions the number of prisoners and points out that the 52 death sentences ruled to date by military administrators are expected to be carried out.

The report stresses that the West is taking a bilateral approach to aid to Turkey and continues as follows: "Previous promises of aid to Turkey will be fulfilled. However, the democratic institutions must be restored soon... The attitudes of

nations desiring to continue aid to Turkey are under review according to internal developments in the nation." In the words of one official, aid to Turkey will depend on the attitude of the military administration in the months ahead.

After explaining that the nation was on the brink of civil war prior to 12 September, the report gives a general view and maintains that anarchy was influenced by the international situation and Turkey's geostrategic position. The section explaining political divisions and the failure of parliament says, "This deep difference of opinion was apparent when the committee was in Turkey in June, 1980... The RPP leader was insisting on forming a unity government, expecting support from certain national deputies from the Justice Party."

After 12 September

After stating that Chairman Van der Stoel and Mrs Rokke had gone to Turkey and investigated 12-14 October, the report draws the following conclusions in summary:

--In conversation with anyone a general atmosphere of optimism and peace of mind was observed. There is a visible pleasure in having been freed from the pressure of anarchy.

--Despite the significant decline in the number of deaths, both official and non-official authorities agree that the struggle with anarchy will take some time yet.

--It is generally believed that the military intervened, not for personal ambition, but from a sincere desire to put democracy back on track and that they will do so. As to the question of when democracy will be restored, however, no definite date can be set. Attention is drawn to the great difficulty involved and it is pointed out that, in view of developments which may occur, the military may be in power for quite some time yet despite all their good intentions.

--The constituent assembly will prepare a new constitution, but it is doubtful whether a positive outcome will be achieved if politicians are not included in this body.

--The military cannot give a schedule because of the heavy program they have. What is plainly understood is that the military are thinking of a period between 10 months and 2 years.

--What the chairman and reporter of this committee could not fully ascertain is whether the military administration wants long-term social reforms or to resolve a few basic, short-term problems. It is clear that the approach of rectifying the social and economic structure from the bottom up will keep the interim government in office longer.

Conclusion

Developments in Turkey depend on how the Turkish military administrators and interim government will take up the problem of anarchy and the economic problems, how long it will take to prepare the new constitution and when democracy will be restored. This is extremely important to the allies who are watching carefully and with concern the years of aid to Turkey. If the months ahead go by without specific steps toward restoring democracy, this will be cause for concern.

Draft Resolution

In addition to this report with distribution limited to the political committee of the NATO Atlantic Assembly, there was also a draft resolution.

It is pointed out in the draft that the assurances of the military administration have been received on the return to democracy and that internal developments may lead the administration to decide to stay in power longer. In a separate call to the governments of the allied nations in this context, it is requested that "they make known to the Turkish authorities their interest as regards the prompt establishment of the democratic institutions in Turkey."

The Atlantic Assembly, remaining in session until the end of the week, will discuss, in addition to Turkey, a series of topics including developments in the Middle East and the need for NATO nations to raise their defense spending by 3 percent.

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CSO: 4907

TURKISH-GERMAN MILITARY AID AGREEMENT SIGNED

Istanbul TERCUMAN in Turkish 18 Nov 80 p 9

[Text] Ankara (MEDITERRANEAN NEWS AGENCY) — A special military aid agreement was signed in Ankara in connection with 600 million marks in equipment aid to be made to Turkey by West Germany.

At the signing ceremony, a toast was drunk in champagne to the furtherance of cooperation between the two nations by National Defense Minister Haluk Bayulken and German Ambassador Dirk Oncken who signed the agreement.

Signing on behalf of Turkey, National Defense Minister Bayulken said, "We will have need of foreign aid a while longer until Turkey is freed of the present economic squeeze and becomes self-sufficient. The understanding shown in this regard and the aid supplied will be welcomed with appreciation." Expressing thanks for the aid given by our friend and ally West Germany for carrying out the obligations of the Turkish Armed Forces in the southeast flank of NATO, Bayulken said, "It is my hope that this agreement being signed will contribute to the strengthening of defense in our region and to the continuation of peace."

'This Is Cooperation'

Ankara Ambassador Oncken, signing the agreement on behalf of the West German government, said, "This is not aid; this is cooperation. I consider this Germany's special contribution to the Year of Ataturk which will begin in a few months. During this very month, 43 years ago, he pointed out that the army was the guarantee of the nation's unity and security. At that time, it was called the Turkish Army." Ambassador Oncken, calling to mind that cooperation between West Germany and Turkey served to strengthen the alliance to which the two nations are party, stressed the benefits of furthering this cooperation and said, "The unity and reliability of the alliance are the guarantee of peace with honor. Without honor, there is no peace."

Contents of Agreement

According to a statement released by the Foreign Ministry Directorate General of Information, the special military agreement which Bayulken and Oncken signed yesterday envisaging 600 million marks (approximately 27 billion Turkish liras) in grant aid will provide the Ground Forces Command modern Leopard tanks, Milan anti-tank weapons systems and modernization of existing M-48 tanks. The aid to be given under the agreement will be realized between 1981 and 1984. The Foreign Ministry release said, "The agreement signed today comprises another example of the relations of friendship and alliance which have long existed between the Republic of Turkey and the Federal Republic of Germany."

DRAMATIC DROP IN TERRORISM AFTER COUP NOTED

Istanbul TERCIMAN in Turkish 17 Nov 80 p 9

[Report on 16 Nov 80 TV interview with Major General Hayri Undul, deputy chief of Martial Law Military Services Coordination]

[Text] Ankara (MEDITERRANEAN NEWS AGENCY) -- Deputy Chief of Martial Law Military Services Coordination Maj Gen Hayri Undul, interviewed on the subject of anarchy and terrorism by Erkan San from the Turkish Radio and TV News Center, gave information on the progress registered in the fight against anarchy and terrorism and the measures being taken.

In a statement made on the program "Olaylarin Icinden" last night, Maj Gen Hayri Undul pointed out that the authority of the state was making an impact, that an atmosphere of peace had been brought to the country and that the future of the state was being put on firm foundations with an impartial administration.

Saying that 3,251 persons had died in the terrorism of the past 2 years and that 14,152 had been injured and disabled, Maj Gen Hayri Undul, deputy chief of Martial Law Military Services Coordination revealed that an 80 percent decline had been seen in incidents of terrorism since the 12 September action.

Major General Undul said the following:

Before 12 September

"Before 12 September, anarchy had spread throughout the entire country. State organizations were divided into camps, state authority had been weakened, the young people and even families were divided. Our schools had ceased to be places of learning, our traditions had been forgotten, the love and respect of adults for children and of children for adults had been lost. The constitutional institutions had been silenced, and our people who live under the same flag, share the same goals and speak the same language had been set against one another. This climate of anarchy, fed by violence and terrorism, had initiated a period of brother against brother; the seeds of discord had been sown, launching mass slaughters among those who had lived side by side for years, who believed in the same Allah, who prayed in the same congregation.

"As if this were not enough, weapons were drawn against members of the security forces, judges, doctors and even students and teachers who had no crime other than serving the nation, martyring thousands. Anguish was added to anguish for the sorrowing mothers, fathers and children, other anthems were sung in this country in place of the national anthem, other flags were flown in place of the Turkish flag."

Explaining that before the 12 September action, the broad public masses had been worried, deprived of security and without hope for the future, that a halt had been brought to all this by the 12 September action and peace had been brought to the country, Maj Gen Hayri Undul continued as follows:

After 12 September

"What is seen today is that state authority is taking effect, an atmosphere of peace has been brought to the country, killings have stopped, wounds are healing and the future of the state is being set on firm foundations with the impartial administration. While these efforts continue, the nation is no longer in turmoil. New fears are not being brought to mothers' eyes, life has returned to normal and faith in the future has increased. Our schools are operating again under the Turkish flag, which flies everywhere. The 45 million are looking with faith to the future as one spirit, one being."

Terrorism Dropped 80 Percent

Martial Law Military Services Coordination Deputy Chief Maj Gen Hayri Undul pointed out that the number of incidents in the 19 provinces under martial law up to 12 September had been 3,586, whereas after that date a significant decline had been observed in incidents throughout the entire country and said:

"A satisfying reduction and steady decline in the number of incidents as well as deaths has been observed since 12 September. There has been an 80 percent decline in the number of armed attacks and clashes since 12 September. In contrast to these declines, there has been an increase in incidents of throwing explosives, hanging posters and distributing bulletins. This shows that the terrorists are gradually losing their strength and are turning to simple, isolated acts to assert their existence. In incidents related to terrorism and anarchy, there is a decline satisfying to Turkey in general."

Stating that the security forces had the support of the Turkish nation in the dedicated struggle against anarchy and terrorism and that this support lay at the root of their success, Major General Undul noted that terrorism was not a goal, but a means to a goal, and that the climate of mounting anarchy in Turkey had had outside sources. He said:

"The situation which came about in Turkey in the preparation of the climate they wanted through destruction of the courts, destroying the climate of safety and the outbreak of political, economic and social conflicts shows that this had outside sources."

"The era of submitting to the threats of a few people has now come to a close. The nation knows its own strength and no longer indulges empty threats and pressures. There have been frequent occurrences lately of the creators of such incidents being turned over to justice by the people themselves."

"The quality which exalts and gives life to the state which springs from the determination of the Turkish nation has made it decisive and has left the terrorists, who are not considered its own, to their fate.

"As the goal is clear and the method is clear, what should be done in this regard is to believe in and trust the state in the measures it takes against destructive activities, to stand by the state and warn against propaganda of any sort. To know well the unchanged goals of the foreign forces and the methods they use and to preserve our ways and customs is to protect [oneself] from becoming a tool, knowingly or unknowingly, of evil forces. And the only way to do this is to rally round the principles of Ataturk."

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BIOGRAPHY OF, INTERVIEW WITH MINISTER OF EDUCATION

Ankara YANKI in Turkish 10-16 Nov 80 pp 12-14

[Interview with Hasan Saglam, Minister of National Education by YANKI magazine]

[Text] Minister on the Cover

"I cannot separate myself spiritually and mentally from our Armed Forces. I am here today because our Armed Forces gave me the job. Whatever our Armed Forces may have in mind when this job is over, that is where I see myself also." So said Hasan Saglam, who occupies the post of minister of national education, a man who puts his interviewer at ease.

New Minister of Education Hasan Saglam, the child of a family engaged in trade, was born in Seferhisar District of Izmir Province in 1923. Attending primary school in this district, Saglam attended two years of middle school in Izmir's Karatas Middle School and the third year at Konya Military Middle School. He then attended Bursa Military Lycee and Polatli Artillery School, after which he began working as an artillery officer. He entered the Academy as a captain and was graduated as a staff officer in 1955. He also took courses at Robert College.

The new Minister Saglam is a great sports fan, especially of soccer. He always played "outside left" on the teams of the units with which he served. He never misses a match if he can help it and is a Besiktas fan.

While education branch director at NATO Headquarters in Izmir in 1960, for 2 years Saglam commanded U.S., Greek and Italian officers who were older and of higher rank than himself. Originator of the Press and Public Relations Branch of the Office of the Chief of the General Staff, Saglam went to Cyprus in 1963 where he was chief of staff of the Tripartite Force (Turkey, Greece, Cyprus). When the incidents began, he was removed from this position and made head of the Turkish forces on Cyprus. Saglam was in the Kokkina bombardment which he remembers saying, "While our units were forming on the field from training, our convoy composed of five vehicles headed for Nicosia. The Greek and Greek Cypriot forces were in complete panic. Their radios revealed they were terrified. This incident to me was the measure of how much the 650-man Turkish force was feared."

After serving as London Military Attache, he was brought to the position of chief of the General Staff Office of Planning and Operations which he held from 1971 to 1974. In 1975, he made corps commander as lieutenant general. He retired as a lieutenant general from the position of General Staff Operations chief which he held from 1977 to 1979.

While in this position, he had the opportunity to work closely, first of all, with Head of State Evren and the other members of the National Security Council. General Tahsin Sahinkaya was a class mate at the Konya Military School and General Celasun at the Academy. Saglam, an accomplished and persuasive speaker, headed the military delegation in the Turkish group which went to Geneva after the 1974 Cyprus Peace Operation.

Saglam, who says he developed his love of reading while posted in London, says, "I had the opportunity to do a lot of reading. I came home with suitcases full of books." Works of strategic importance compose the majority of Saglam's library. Saglam, whose language is as pure as possible, placed great stress on education while he was on the general staff. One former commander told YANKI: "His work on the general staff has a lot to do with his being brought to this position." Saglam points out that he has a special interest in economics and says, "I even clip and save articles published in the newspapers," adding: "What defines the social structure of a nation is economics and education. I consider both of them very important."

The minister of national education believes that we will overcome the economic crisis only with a conservative economy and says that he had felt no interest in the political parties after his retirement and is not a supporter of any party. "My place of work after I retired was the libraries," he said. He believes that he has no place in politics and says he will remove himself when his job in the Armed Forces' administration of the nation is over.

Minister Saglam says that he was unable to be as concerned as he should have been with his children because of his job but that he did not neglect them either. "Their mother made a great contribution to the education of my daughter, who is now a master chemical engineer, and my son, who is a master construction engineer," he says. Saglam has two grandchildren from his daughter, who is now just rearing children. His son-in-law is Doctor Yarbay. His son is studying abroad on a scholarship won while an assistant at Bogazici University and will soon be returning home.

Just when he was preparing to settle in Istanbul to save the cost of house rental in Ankara, Saglam finds himself at the head of National Education. He has succeeded in a short time in making this ministry, which even reporters used to be afraid to enter, into a modern-looking institution where his administrative authority is felt practically at the door.

National Education Minister Hasan Saglam answers YANKI's questions:

Question: Would you summarize briefly your understanding of the Ataturkist educational system?

Answer: The Ataturkist principles of education were included in various statements by our distinguished head of state and in the government program. Our part now is to introduce throughout our educational system the reforms and principles which originate in the view of Ataturkist nationalism together with the teaching and instruction of national education and to put them in practice in every area.

Question: Could you expand a little?

Answer: We all know what the Ataturkist reforms and principles are. So now we are trying to formulate a basic national education policy in light of these principles. The principles on which we will build the policy will be short, medium and long term. After we have settled on them, we will debate them in a national education council and then submit them to the legislative body and try to have them enacted into law. After that, we will put all of our problems in their place within the framework of this policy and we will resolve each of our problems on this basis.

Question: If you don't mind, would you explain these principles? What are they?

Answer: They are ways to improve and develop the entire national educational system, such as the number of students to have in the schools, plans and programs for the education of the students, construction of schools at all levels, the economic and social situations and training of the teachers. These require the taking up and revising from the top of all efforts at the basic, middle and higher education levels.

Question: What are you doing to bring about this broad a policy? When will you be able to complete it?

Answer: We are at the very beginning. I cannot say that we have done a lot up to the moment. I can say nothing definite as to when it will be finished, because realization depends, in a way, on economic strength. Building schools, training teachers and providing all the ways and means depend on the economy. But I certainly think that we will be able to take up insofar as possible many problems during our tenure in office.

Question: Are you taking care of this change with ministry personnel alone? Are you getting assistance from other organizations?

Answer: In addition to our ministry employees, we are getting extensive help from our Armed Forces. As you know, our Armed Forces are quite advanced in this regard. Our ministry experts and the experts from our Armed Forces are discussing the matter and working out problems under very close coordination and cooperation. Moreover, we are also making use of the systems in other countries.

Question: There is an impression of a big left-right rift in your ministry. Do you share this?

Answer: I find the discussion of this excessive. The troubles of the past are well known. The very recent past. We are putting the past aside. Now we are starting to look to the future with a new understanding, spirit and mentality.

Question: How will you save the ministry from politicization? What have you done so far?

Answer: We are definitely determined to get politics, and ideological ideas on that scale, out of national education.

Question: What are you planning in order to keep education from returning to the old ways after the military administration leaves?

Answer: The principles I listed above and the policy which we will form within the framework of these principles will be enacted into law. They will be articles of the charter. We will put the national education organization firmly on track. I think it will not be so easy in the future to attempt important changes which go beyond these.

Question: Do you share the view that the "exchange" system which has long been used in eastern Anatolia is a very objectionable arrangement engrained in our educational system? If so, how will you eliminate the consequences of it?

Answer: The objections to which you refer were eliminated this year. A directive which went into effect on 22 August 1980 divided Turkey into four regions and a person may be assigned to the place of his choice after at least 3 years in one of these regions. This practice, which is similar to the appointment procedure in the Turkish Armed Forces, will ensure, with a few alterations, that a teacher serves in every region of the country. Unsound appointments were made before because they had no principle, no basis. Indeed, the ministry was completely buried in personnel services. Important legal planning has not been made in the organization charter since 1933. We will bind the duties, authorities and responsibilities for the new organization to a rule and principle.

Question: Will you alter the organization charter?

Answer: Yes, we are reviewing the organization charter. We are enabling it to answer our present needs. For example, we are introducing a deputy undersecretary to look after personnel procedures alone. This unit will take care of all appointment, transfer and qualification matters, leaving the office of the ministry to perform its basic function.

Question: Employees have been treated unfairly as the result of the partisan appointments, about which the head of state and yourself as well have complained. Will you rectify this injustice? Will you implement the Council of State decision?

Answer: We will implement the Council of State's final decisions. However, we are studying the injunctions which were issued in haste and the implementation of which would create problems. But we respect the law. We will rectify these injustices within the framework of the law without causing anyone to suffer injustice.

Question: There were efforts during the previous administration to have religious courses taught in Arabic in the schools. They were to be carried out during this period...

Answer: We set up 26 commissions at the ministry. These commissions are studying individually all ministry affairs. Our basis is Atatürkist nationalism. We will plan the work to be done in accordance with this. I do not think there will be or we will feel a need for such a subject.

Question: As you have set up 26 commissions, are you reorganizing all over again?

Answer: We are not tearing down and rebuilding the ministry from scratch, but I may say that there is no topic which has not been taken up since I took the job. We are taking up even the tiniest details of every matter in the commissions and reorganizing and rearranging with an eye to developing technology and modern thought.

Question: Some teachers have been unable to get appointments because of excess numbers. What will their status be?

Answer: There is a large excess of teachers in the schools of certain provinces. Some of them work full time while others lecture 2 to 5 hours per week and still receive their salaries and benefits. This causes discontent. There are also those we have been unable to give appointments because of the excess. I think we will be able to rectify this excess by introducing several teachers at once, if necessary, into one class.

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STATISTICS GIVEN ON PROVINCIAL POPULATION

Istanbul TERCUMAN in Turkish 17 Nov 80 pp 1,12

[Article by Ilkay Somel: "Hakkari: Fastest Growing Province in Turkey"]

[Text] Ankara (MEDITERRANEAN NEWS AGENCY) — The most rapidly growing population in Turkey in the past 5 years is seen in Hakkari. According to unofficial results of the 1980 population census, the rate of population increase in Hakkari is 68.97 percent for the 5-year period. Gumushane, meanwhile, is the province where a population decrease was most seen in the past 5 years. According to the unofficial census results, a population decrease of 10.92 percent was determined in the Gumushane population between 1975 and 1980.

According to interim results of the 1980 census by the State Statistical Institute which was reached by telegram, Hakkari heads the list of population growth in Turkey. Hakkari's population in the 1975 census was 126,036 and rose to 177,936 in the 1980 census, an increase of 68.97 percent. Hakkari was followed as to rate of population increase by Istanbul with 44.22 percent, Kocaeli with 42.88 percent, Ankara with 42.44 percent, Bursa with 37.91 percent, Diyarbakir with 33.70 percent and Bitlis with 32.33 percent.

Provinces with Declining Population

According to the unofficial results of the 1980 census, five provinces registered declining population, led by Gumushane Province. Gumushane's population was 293,673 in the 1975 census, declining to 278,063 in the 1980 census, a drop of 10.92 percent. The other four provinces with declining population are: Tunceli, 164,591 in 1975 declining by 9.14 percent to 157,236 in 1980; Cankiri, 265,468 in 1975 declining by 5.35 percent to 258,467 in 1980; Kars, 707,398 in 1975 declining by 1.76 percent to 701,196 in 1980; Artvin, 228,026 in 1975 declining by .11 percent to 227,906 in 1980.

No Change

The one district in Turkey whose population did not change between 1975 and 1980 was Suhut District in Afyon. According to the final results of the 1975 census, the population of Suhut was 8,154. According to the results received by telegram of the 1980 census, the population Suhut District was 8,154. Thus, Suhut is the only district in Turkey whose population did not change.

On the other hand, the district with the greatest population decrease in 5 years is Siverek District in Urfa. According to the 1975 census, Siverek's population was 40,990, while it was 30,000 in the 1980 census. Thus, although the figures are not yet final, Siverek District of Urfa appears to be the district whose population decreased most in the past 5 years.

Greater than 14.5-Fold Increase in Semdinli

The district which broke the record for Turkish population growth in 5 years is Semdinli District in Hakkari, where harsh winter conditions are the rule and travel is impossible for a large part of the year. Semdinli's population in the 1975 census was 1,433, and in the 1980 census came out at 19,677.

In contrast, according to the unofficial 1980 census results, the population in Adana's Yumurtalik District increased by only 4 people. Yumurtalik's population in 1975 was 2,442 and in 1980 was 2,446.

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